

MAY 2, 1925

TWENTY CENTS

# Sales Management

*For Sales and Advertising Executives*



*The Petroleum Industry Spends \$1,000,000,000 Annually — Page 673*

## A Survey of Merchandising Trends in the Drug Field

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Small Industries Marking Time for Need of  
Marketing Ability

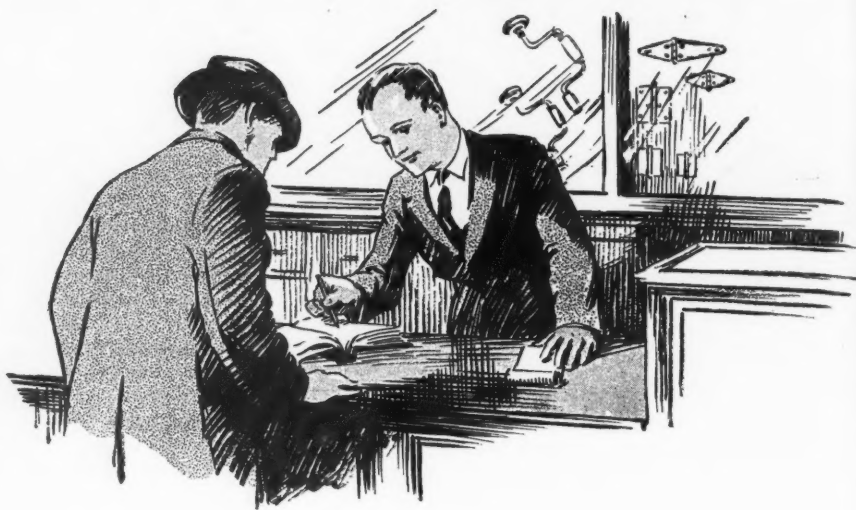
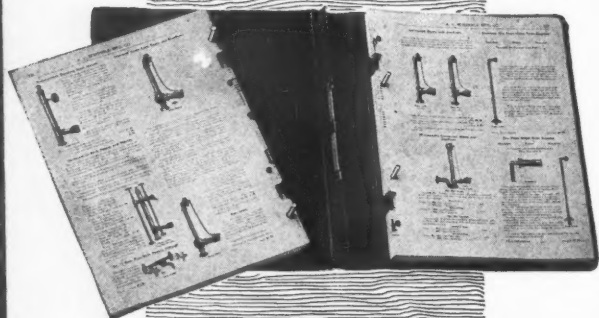
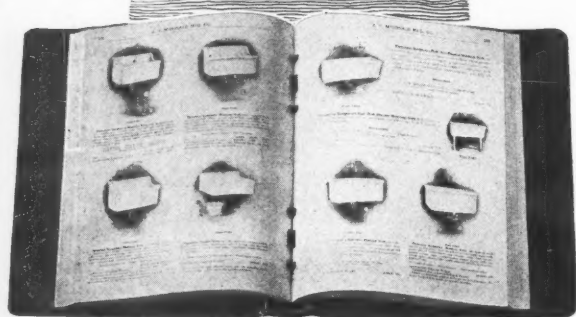
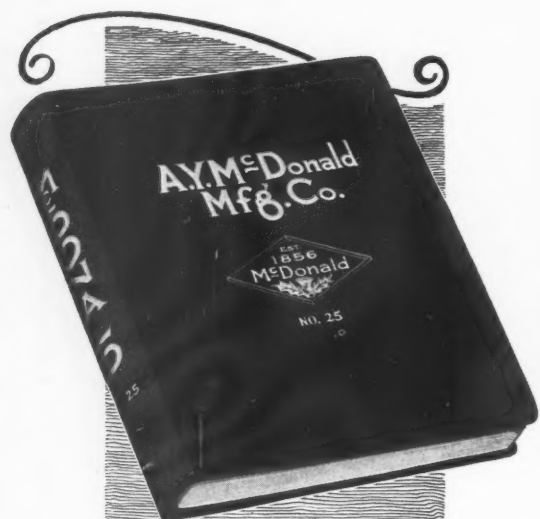
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Bright Spots in Business for May

***A Dartnell***



***Publication***



## *A certain large retailer*

There is a certain very large and well-known hardware jobbing house in the Central West that is needlessly losing business every month. It is losing it in the same way that this country is losing foreign business—because it will not give its customers the kind of assistance that they want.

A certain large retailer in this jobber's territory recently told one of our salesmen this: "We like the firm (referred to above) and give them all our regular stock business. But practically all our orders for articles we don't stock go to another house. This latter concern gives us a loose-leaf catalog and loose-leaf price book. In connection, it also sends us every week, at nominal expense, neatly printed sheets of all price changes and new catalog sheets as they are needed. These prices are guaranteed for the week. With this kind of service we can order from catalog with greatest confidence, knowing that every order will be filled at the prices in effect when the order was made out.

"The other house issues only a tight-bound catalog, with extra supplements and new price lists from time to time. We never feel sure of their prices on goods not stocked."

A questionnaire that we sent out some months ago clearly disclosed the fact that practically all retail hardware dealers would gladly pay a reasonable fee to have such a price service. *If you haven't carefully studied the business getting possibilities of the loose-leaf catalog and price service, let us tell you about it. Write now for full information.*

## THE HEINN COMPANY

*Originators of the Loose-Leaf System of Cataloging*

349 Florida Street

Milwaukee, Wis.

# HEINN BINDERS

*~ day-by-day catalogs  
that last year-after-year*

# *That's Tellin' 'Em In Chicago!*

Advertising consists in telling potential buyers the alluring story of your merchandise.

Telling your story effectively—lining them up before your sales counters—means reaching them through a medium that they read with interest and confidence. And that is where **THE CHICAGO DAILY NEWS** shines with unrivaled lustre.

**THE CHICAGO DAILY NEWS** is demonstrably the most effective sales medium in the vast and prosperous Chicago market. The proof of its effectiveness is in the fact that year after year it leads all other Chicago daily newspapers in the volume of display advertising carried.

**BECAUSE IT PAID THEM** advertisers bought 15,099,486 agate lines of advertising space in *The Daily News* in 1924—the greatest volume of display advertising ever published in any Chicago daily newspaper in any single year.

Behind this lies the great and responsive “character circulation” of *The Daily News*—400,000 average net paid—1,200,000 daily readers, mainly in the financially competent homes in Chicago and its near-by suburbs.

These are the buyers of this great market—and the medium that they look to for buying information and guidance is

**THE CHICAGO DAILY NEWS**  
*First in Chicago*



## Forward-Looking Sales Managers

*Make this great  
plant their Chi-  
cago warehouse*



*Are your salesmen in this territory losing orders because it takes too long for your product to come to the trade here from your factory?*

*Have you figured how much of the money that you spend in advertising and sales campaigns is a total loss because your competitor gets the business on the basis of quick delivery from Chicago stocks?*

*Do you know that many distributors whose factories are at a distance are finding that it costs actually LESS money to make delivery from stocks carried in Chicago's Big Downtown Warehouse than it does to fill orders direct from their factories?*

Our plant at the Pennsylvania Railroad's mammoth freight terminal in Chicago, with its unusual storage and rail-traffic facilities, is definitely designed to provide the modern and economical distribution methods that are necessary to assure successful advertising and sales effort.

If you have not investigated public warehousing as applied to the distribution of your product and want to know why enterprising manufacturers the country over find our services an economy and not an expense, write us now. A dollar saved is a dollar made.

Let us know your particular problem in this market. It will receive the considerate attention of a distribution specialist.

## Western Warehousing Company

331 West Polk Street, Chicago

*"At the Edge of the Loop"*

WILSON V. LITTLE, Superintendent

## This Issue at a Glance

### ADVERTISING

A survey has just been completed by a member of the Dartnell Editorial Staff, which brings out the potentialities for sales and advertising development which lie among the businesses of the country which have grown to the point where the big problem is to push sales above the plane of a dead level. Janesville, Wisconsin, was chosen for this survey, and the investigator tells in this issue of the conditions he found among the manufacturers of this Wisconsin town. Page 659.

The annual convention of the Associated Advertising Clubs of the World, to be held in Houston, Texas, May 10-15, will consider many matters of primary interest to sales executives. The program is outlined in this issue. Page 678.

### COLLECTIONS

A novel collection plan which brought results for Higgins & Gollmar, lithographers of New York City, is described by George W. Higgins, secretary of the company. The company enlisted the cooperation of a bank in the vicinity of the delinquent account, and, at a small cost, collected a long-overdue bill. Page 698.

### DEALER LETTERS

A dealer's mail is loaded with so many pounds of letters saying more or less the same thing in a more or less commonplace way, that when a letter comes along that is entertaining and human, and colored with a man's personality, it's small wonder that it gets attention. Ned Jordan's letters are known the country over for the sparkle they put into ordinary messages. One of them is reproduced on page 664.

### DIRECT MAIL

Irritated by the stack of advertising blah which daily crowds his apartment mail box, a reader dissects a classic example of promotional matter from a publishing company to show why this kind of advertising shoots so wide of the mark. "Adventures in Bunk." Page 692.

### JOBGING PRACTICES

The changing attitude of the drug jobber is one of the main highlights of the second article of the series on merchandising trends in the principal lines of business. How jobbers are changing from mere cogs in the distribution machine into real sales managers is told by Roy W. Johnson in this article. Mr. Johnson also comments on some interesting facts and figures on the growth of the chain store business in the drug field. Page 661.

### LEGAL MATTERS

When disputes arise over sales contracts, there are a number of points to be considered before you throw the case into court for settlement. If you are too quick to sue, you may not only be the loser on the decision, but you will probably never be able to regain the business of your customer. Legal history shows that the courts are inclined to consider such cases according to certain rather well-defined principles, some of which are discussed in an article on page 701.

### MANAGEMENT

Reasons why the policy of basing the year's advertising appropriation on the volume of the previous year's sales is all wrong, are presented by a writer who contends that the only logical method of making up an advertising budget is to figure on the basis of probable billing for the year under consideration. This writer discusses a number of the ins and outs of the entire sales budget. Page 665.

### MARKETS

It is not necessary to speak Spanish in order successfully to market your goods in Mexico, says B. E. Melgarejo, export manager of the San Antonio Drug Company, in an interview with Ruel McDaniel. Mr. Melgarejo speaks out of years of experience in marketing drugs in the Republic, and he has some good practical advice for sales managers who are considering the Mexican field. Page 669.

The first test of the sales possibilities of an article which is to be sold to the petroleum field is performance, declares a member of the Dartnell Editorial Staff in discussing this industrial market. The problems which are to be met in an industry which is characterized usually by mushroom growth, are discussed here in the interest of sales executives whose products are adaptable to the petroleum market. Page 673.

### SALES CONTESTS

A contest plan built around the awarding of silver spoons to the salesmen's wives as prizes, is reported by Joseph B. Clay, president, The Iowa Gate Company, to be the most successful plan he has ever used. Details of the plan are given on page 677.

### SALESMANSHIP

Salesmen who chatter like magpies, bore their prospects, and smother good orders in oceans of words, receive a good scoring at the hands of Royal Mede in an article, "Stop Talking and Ask for the Order." Page 688.

### SALES LETTERS

Further examples of how unnecessary words and phrases may be cut out of routine business correspondence, are given in the conclusion to an article by Charles R. Wiers, the first part of which appeared in the April 18 issue of SALES MANAGEMENT, "Useless Stuff in Letters." Page 695.

### SALES TACTICS

A Detroit sales manager has found the losses from open territory to be so high that he maintains a force of special men to step in the moment a regular salesman is called out. His experiences are related in "The High Cost of Vacant Territories." Page 681.

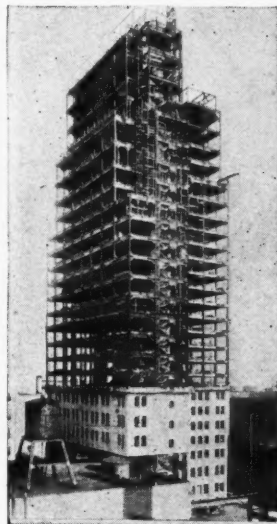
No matter how thoroughly dealers are sold on the advertising which is being done, if they and their clerks do not know something definite about the quality and performance of the product itself, the profit sheet will not tell a pleasant story. What happened in the case of a toilet goods manufacturer who oversold his advertising and undersold his product, is told by Eugene Whitmore. Page 685.



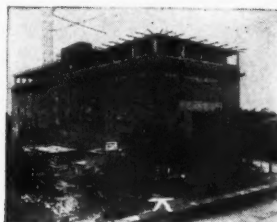
# TWENTY-FIVE LIVE PROSPECTS FOR TEN CENTS



Factories



Hotels



Industrial Buildings



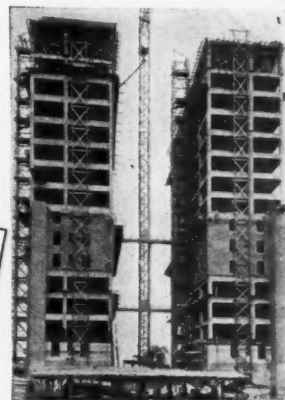
Road-Building



Bridges



A Daily Countrywide Construction News Service



Apartments



Excavation

Accurate daily reports of construction and material requirements from all parts of the country—\$120 per year.

## 100 TIPS A DAY—

- (1) Sales Leads for the Salesman
- (2) A Sales Check for the Salesmanager
- (3) Increased Business for the Manufacturer

If you make or sell anything that goes into construction work, or that is used in the maintenance and operation of completed projects, the McGraw-Hill DAILY Construction News-Service can bring you more than a hundred live tips each day.

The cost is low. These verified reports of construction projects in all parts of the United States and Southern Canada come to your office at the rate of 25 for a dime—a cost of two-fifths of a cent apiece!

### EACH REPORT A LIVE BUSINESS OPPORTUNITY

115 correspondents located in all parts of the United States and Canada report permanent construction projects through the McGraw-Hill DAILY Construction News-Service, at a time when these reports represent live business opportunities.

Whether you sell construction material or equipment,

or whether you sell the hundreds of items which must go into the maintenance and operation of completed projects, this DAILY Construction News-Service published by McGraw-Hill must make money for you.

### USE THE COUPON

The attached coupon gives you a convenient opportunity to get this DAILY Construction News-Service for three (3) months at the regular yearly subscription rate—

**32,903  
Live Tips  
Last Year**

3306 Industrial Building Projects  
8925 Commercial Buildings  
9623 Street and Road Jobs  
579 Excavation and Irrigation Jobs  
2579 Water-works Jobs  
2171 Sewerage Systems  
1481 Bridges  
1187 Government Bldgs.  
960 Materials and Equipment Requirements, etc.

## SPECIAL 3-MONTHS-TRIAL COUPON

McGraw-Hill Company, Inc.  
Construction News-Service Department  
Tenth Ave. at 36th St., New York, N. Y.

You may send the McGraw-Hill Daily Construction News-Service to us for three (3) months at the regular yearly subscription rate. You will receive our check for thirty (\$30) dollars in the next few days.

NAME.....  
COMPANY.....  
ADDRESS.....  
CITY.....STATE.....



THE  
OKLAHOMA PUBLISHING COMPANY  
OKLAHOMA CITY, OKLA.

ANNOUNCES THE ELECTION OF

EDGAR T. BELL  
TO THE OFFICE OF  
SECRETARY-TREASURER

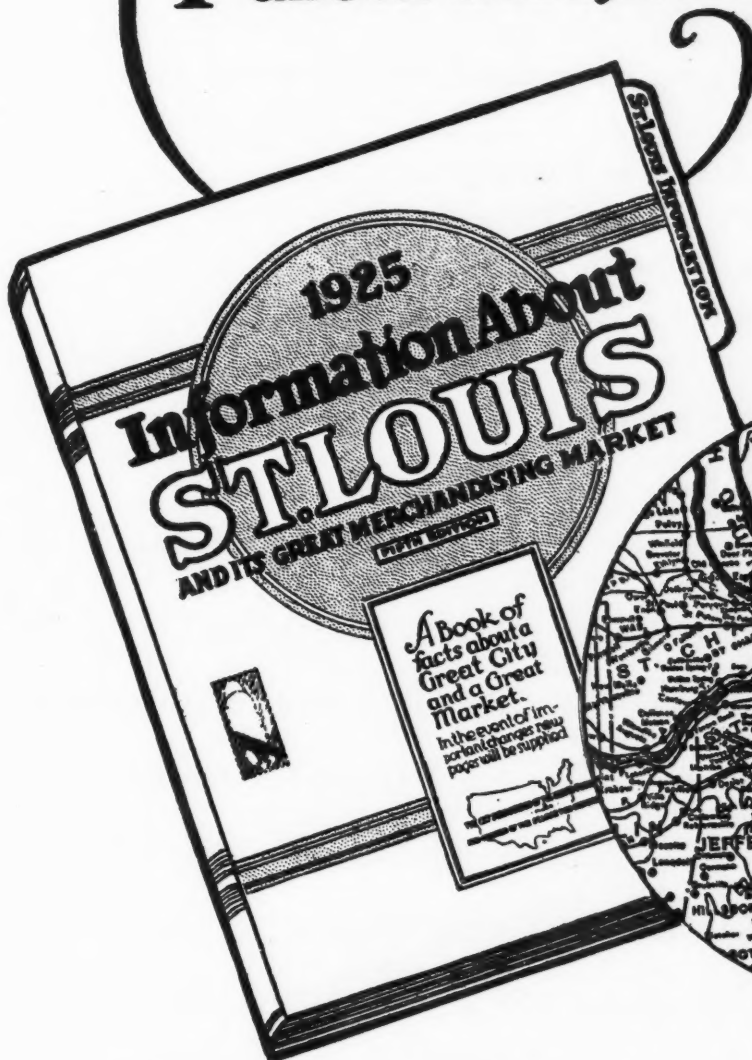
TOGETHER WITH HIS AP-  
POINTMENT TO THE POST  
OF BUSINESS MANAGER

EFFECTIVE MARCH 28, 1925

*E. K. Gaylord*  
PRESIDENT

THE DAILY OKLAHOMAN  
THE OKLAHOMA CITY TIMES  
THE OKLAHOMA FARMER-STOCKMAN

# A Comprehensive Book about a Profitable Market



Here is a Book of Facts about the St. Louis Market—as officially defined by the Audit Bureau of Circulations. It is a circle having a radius of forty miles with St. Louis at the center. Only four states in the Union have a density of population per square mile equaling that of the St. Louis Market.



## A Responsive Buying Power of 1,246,000 People

In addition to St. Louis, which is the largest city west of the Mississippi River, and East St. Louis, which is the third largest city in Illinois, this area contains

- 13 cities of over 5,000 population.
- 14 cities of 2,500 to 5,000 population.
- 30 towns of 1,000 to 2,500 population.
- 30 towns of 500 to 1,000 population.
- 129 villages, industrial and rural communities.

In the St. Louis territory there is sold one copy of the Post-Dispatch—Daily or Sunday—for approximately every six people—men, women and children—a circulation almost equal to the total number of families.

No other newspaper in America in a city of over 500,000 population—with one exception, the News, in Detroit—covers its city and suburbs as completely as the Post-Dispatch covers the St. Louis market.

**it is FREE**  
to Sales or Advertising  
Executives

Ask for a copy on your letterhead  
and it will be sent postpaid with-  
out obligation of any kind.

## ST. LOUIS POST-DISPATCH

FIRST IN ST. LOUIS

EASTERN ADVERTISING OFFICE: World Building, New York  
DETROIT OFFICE: General Motors Building  
SAN FRANCISCO OFFICE: 364 Market St.

WESTERN ADVERTISING OFFICE: Tribune Tower, Chicago  
KANSAS CITY OFFICE: Coca Cola Building  
SEATTLE OFFICE: Securities Bldg.



# EXECUTIVES *and* SALES MANAGERS

## *Do You Actually Know*

How much capital you have needlessly invested in surplus stock?

What lines of products are moving slowly?

How often each line is turned over?

Which products yield the largest returns?

What the sales potentialities of each territory are?

What your sales and profits are by branches?

What your gross and net profits are by salesmen, after deducting returns?

**E**LECTRIC Tabulating and Accounting Machines applied to your work give the correct answers. All the figure-facts of your sales transactions, down to the minutest details, are always ready for instant analysis. These electric machines eliminate that costly phrase, "Too late now," by giving you what you want *when* you want it.

*Write for literature regarding the application of Electric Tabulating and Accounting Machines (Hollerith Patents) to sales analyses*

INTERNATIONAL BUSINESS MACHINES CORPORATION

*The Tabulating Machine Company Division*

50 BROAD STREET, NEW YORK, N. Y.

*Offices in all the largest cities of the world  
Members of the National Association of Office Appliance Manufacturers*

# NEVER BEFORE

Never before has a newspaper, making its appeal to the intelligent and thoughtful, without comics, without puzzles or other matter extraneous to news, attained the circulation of The New York Times.

The average net paid daily and Sunday circulation of The New York Times, for the six months ended March 31, 1925, as reported to the Post Office Department, was 387,934. The circulation for the corresponding period of 1924 was 378,174.

In 1924 The New York Times published 26,283,924 agate lines of advertising, 2,182,698 lines more than in 1923 and an excess over the second New York newspaper of 9,425,570 lines.

More significant, an achievement unsurpassed and heartening to the newspaper world, is the character of advertising printed by The New York Times which is free from objectionable and questionable "catchpenny" offers. Advertisements are subject to censorship to protect the columns of The Times from those who misrepresent, raise false hopes and spread nets to catch the unwary.

Advertisements in The New York Times are informative—clean—trustworthy. When there is pressure on the advertising columns of The Times, due to a large volume being offered for a specific day, preference is given to announcements having news value.

The New York Times, strictly a newspaper, gathers the news fully, accurately, impartially, with unrivaled enterprise. In The Times the daily story of the world, nation, suburb, city; of business, science and the arts, is told in a way to interest intelligent people.

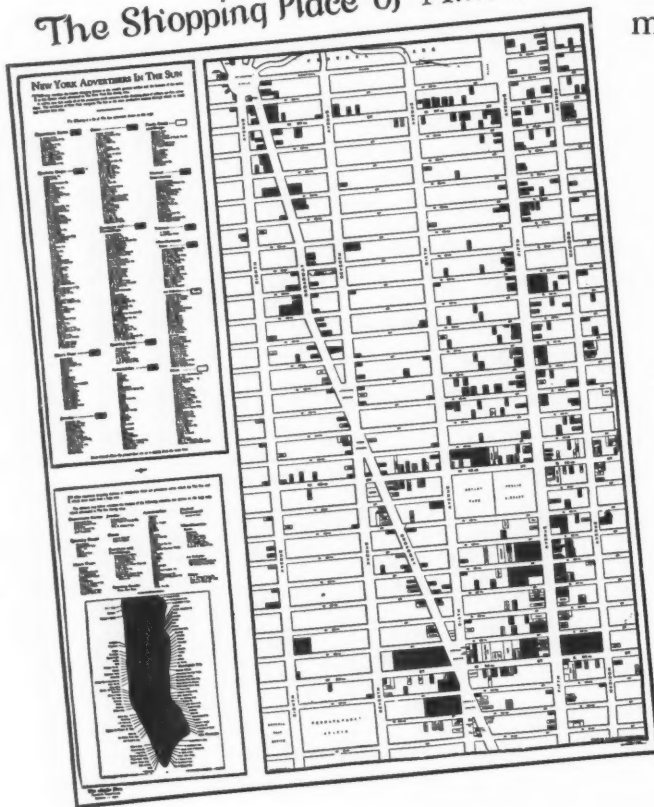
*In three months of 1925 The Times published 6,705,262 agate lines of advertising, 353,670 lines more than in the corresponding months of last year and an excess over the next New York newspaper of 2,624,164 lines.*

# *The Shopping Place of Millions*

A UNIQUE map visualizing the location of most of the prominent retail stores in the busiest shopping districts in New York—districts that include such famous business arteries as Fifth Ave., Broadway, Madison Ave., 42nd St., 34th St. and 14th St.

Printed in twelve colors—one for each of the twelve kinds of stores. When unfolded the map measures 34 x 44 inches.

*The Shopping Place of Millions*



The stores shown are those that advertise in *The Sun*. Because of the wide use of *The Sun* by the retailers of New York, the advertisers shown on the map include nearly all of the well-known shops in New York.

“The Shopping Place of Millions” will prove of interest to sales executives, advertising managers and advertising agency men.

It will be sent to executives who request it on office stationery.

**The**  **Sun**  
280 BROADWAY NEW YORK



**Subscription Rates:** Single copies, 20 cents. Yearly subscriptions payable in advance, \$4.00 for twenty-six issues, anywhere in the United States or its possessions. In Canada, \$4.25 and \$4.50 in foreign countries. Six months' subscription, \$2.00, for thirteen issues. No two-year or clubbing rates.

**Bound Volumes:** There are thirteen issues to a SALES MANAGEMENT volume, beginning with the first issue of January, and the first issue of July. These volumes, bound in buckram, may be ordered for delivery at the conclusion of the volume. Price, \$5.00, postpaid.

**Back Bound Volumes:** Bound editions of Volume VI, containing the issues of July to December, 1924, and Volume V, containing the issues of October, 1923, to June, 1924, may be obtained from the office of publication, 1801 Leland Avenue, Chicago. Price, \$6.00, postpaid.

**Renewals:** Subscriptions to SALES MANAGEMENT are dropped promptly when they expire. Readers desiring to keep their files complete should renew their subscription upon finding expiration notice in their copy.

**News Stand Copies:** This magazine is not generally sold through news dealers. For the convenience of subscribers away from the office it is distributed on the newsstands of the principal hotels.

**Closing Dates for Advertising:** Published every other Saturday. In circulation preceding Thursday. Closing date for O. K. of proofs, twenty days before date of issue; final closing ten days before date of issue.

*Published every other Saturday by*

## THE DARTNELL CORPORATION

### PUBLICATION OFFICES:

RAVENSWOOD AND LELAND AVENUES, CHICAGO  
Telephones, Ravenswood 0365 and 0367

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L. KISOR - - - - - Staff Representative  
J. E. ADDICKS - - - - - Staff Representative  
L. C. BECKHAM - - - - - Staff Representative  
C. W. MCCLURE - - - - - Staff Representative

### EASTERN OFFICE:

19 W. FORTY-FOURTH STREET, NEW YORK CITY  
Telephone, Vanderbilt 3614

PHILIP S. SALISBURY - - - - - Manager  
M. V. REED - - - - - Asst. Manager  
E. D. GOODELL - - - - - Staff Representative

### EUROPEAN OFFICE:

150 SOUTHAMPTON ROW, LONDON, W.C.2  
Telephone, Museum 8596

A. T. TURNER - - - - - Manager

TORONTO - - - - - W. A. LYDIATT  
27 Wellington Street, E.

MELBOURNE (AUSTRALIA) - T. C. LOTHIAN  
497 Collins Street

*Member Audit Bureau of Circulation  
Associated Business Papers, Inc.*

# Sales Management

*Published Every-Other-Saturday for Those  
Marketing Through National Sales Organizations*

VOLUME EIGHT

Established 1918 by The Dartnell Corporation

NUMBER NINE

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*Edited by John Cameron Aspley*

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*Copyrighted 1925 by The Dartnell Corporation. Printed by The Dartnell Press*

# Year In and Year Out Needlecraft Magazine

**Upholds its reputation as the star sales-producer among all small town women's magazines.**

**Advertisers who sell through stores, or direct to consumers, always find it at or near the top of their list when returns are checked.**

**Ask your agency, or any Needlecraft advertiser.**

**1,000,000  
Net Paid Circulation**

**Needlecraft Magazine**  
50 E. 42nd St. New York

**ROBERT B. JOHNSTON**  
Advertising Manager

JAS. A. ROBERTSON, Western Manager, Chicago  
DORR & CORBETT, New England Reps., Boston



—Courtesy, The Pullman Company

ERIC SCUDDER, formerly vice president of the McJunkin Advertising Agency in Chicago, is now president and owner of the Citrus Products Company, Chicago, makers of flavoring compounds furnished to ice cream manufacturers and soft drink manufacturers. Mr. Scudder also directs the sales and advertising of the company.

FRANK I. CASH, formerly sales manager for the Bureau of Engraving, Inc., Minneapolis, is now associated with Rogers & Company, Chicago, in an executive capacity. He is succeeded at the Bureau of Engraving by J. F. O'SHEA, for eighteen years with that company.

The Texas Company, Houston, announces the election of W. W. BRUCE, as vice president in charge of sales, and CHARLES E. WOODBRIDGE to succeed Mr. Bruce as treasurer. Mr. Bruce joined the organization in 1910 as a clerk, and for the past five years has been its treasurer. Mr. Woodbridge, for many years manager of the northern sales territory, is succeeded in that capacity by H. W. DODGE.

GEORGE S. FOWLER, for fifteen years advertising manager of Colgate & Company, Jersey City, New Jersey, has joined the J. Walter Thompson Company, Inc., advertising agency, New York City.

E. M. SWASEY has been made vice president of The American Weekly, New York. Prior to joining the Hearst organization, he was sales manager for the Street Railways Advertising Company with headquarters in New York. In 1919 he joined the Hearst organization as publisher in charge of advertising of the Los Angeles Examiner. In 1922 Mr. Hearst appointed Mr. Swasey publisher of the New York American and Sunday American, and he still continues a member of the executive council of the Hearst Corporation.

Announcement is made of the appointment of C. M. ALLEN of Elizabeth, New Jersey, as president of the Garford Motor Truck Company, Lima, Ohio, to succeed E. R. CURTIN, resigned. Mr. Allen was formerly connected with the Autocar Company, Ardmore, Pennsylvania.

JAMES M. CLEARY, promotion manager of The Chicago Tribune, is now associated with PAUL G. HOFFMAN in the sales direction of the Studebaker Corporation of America, South Bend, Indiana.

J. W. O'MEARA has resigned as a director of the Premier Company, Cleveland, direct mail producers, to become eastern sales manager of the Electograph Company, Detroit, also direct mail producers. Mr. O'Meara was formerly publicity manager of the B. F. Goodrich Rubber Company, Akron, and entered the direct mail field with the Caxton Company, Cleveland.

W. BURGESS NESBITT has been elected president of Artemas Ward, Inc., of New York, subway and elevated car card and poster advertising, and continues as president of the Ideal Cocoa & Chocolate Co., and the Listerated Gum Corporation.

E. J. HANSON, formerly sales manager for the McClellan Paper Company, Minneapolis, and more recently of Wilcox, Mosher Leffholm Company, Minneapolis, has been appointed sales manager for the Herrlinger Paper Company, Cincinnati. O. S. BARRIE succeeds Mr. Hanson at the McClellan Paper Company.

GEORGE MORRIS, who has been assistant to James M. Cleary as promotion manager for The Chicago Tribune, succeeds Mr. Cleary in that capacity.

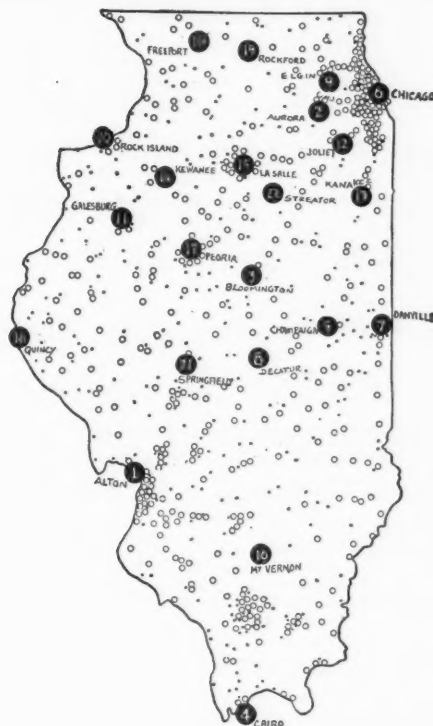
GARDNER OSBORN of Barton, Durstine & Osborn advertising agency, New York, has joined the Carl Reimers Company, Inc., New York advertising agency, as a vice president and director. The name has been changed to Reimers & Osborn, Inc.

A. O. BACKERT, president of the Penton Publishing Company, Cleveland, and for many years on the executive committee of the Associated Business Papers, Incorporated, one year of which he was president, passed away suddenly on April 24 at his home in Cleveland.

The Indera Mills, Winston-Salem, N. C., textile manufacturers, announce the recent election of COLONEL F. H. FRIES, president, succeeding W. L. SIEWERS, resigned. Mr. Fries is president of a local bank and head of a number of other mills in the southwest. H. G. CHATHAM, president of the Chatham Manufacturing Company, textiles, Winston-Salem, was elected vice-president. J. LEE KIGER, who has been with the Indera Mills since its organization, was elected secretary, and H. S. FOY, JR., sales manager. Mr. Foy was formerly sales manager of the Maline Mills, through which the products of the Indera Mills were formerly sold.

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# *Where is Your Market in Illinois?*



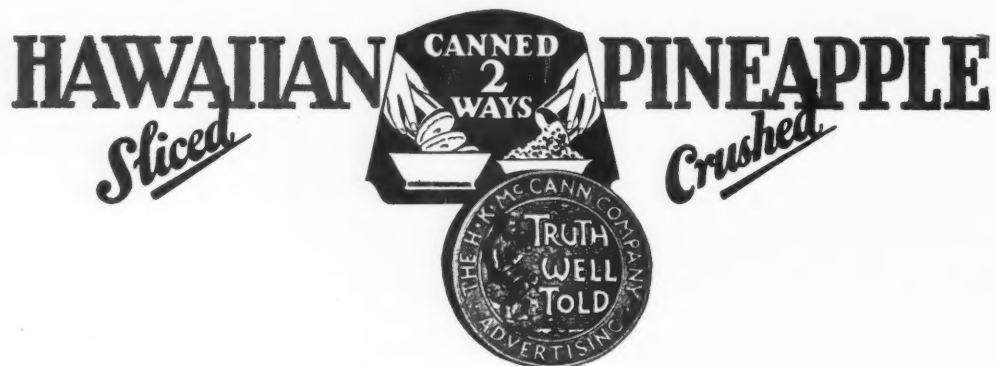
**I**LLINOIS was selected as a typical state for an analysis—just published—of Primary and Trading Center Markets. Particular application is made to the footwear and radio fields, but the facts apply with equal force to other industries.

This survey shows where the greatest selling and advertising energy should be exerted to secure maximum results at minimum cost.

*A copy will be mailed upon request.*

Address Advertising Department, **Cosmopolitan**, 119 West 40th St., New York, N. Y.





WHEN a Thomas doubts the power of co-operative advertising today, someone may generally be counted upon to say: "Look at Crushed Hawaiian Pineapple!"

Then there follows the story of this little known form of a nationally-popular product—of the advertising campaign undertaken by the packers to teach women how to use it—and of the truly remarkable results secured within a few short months.

It is a source of extreme gratification to us that we have had a part in this program of advertising which has helped to make Crushed Hawaiian Pineapple one of the most popular of canned fruits.

Another signal triumph for "Truth Well Told!"

THE H. K. McCANN COMPANY  
*Advertising*

NEW YORK  
CHICAGO

CLEVELAND  
LOS ANGELES

SAN FRANCISCO  
MONTREAL

DENVER  
TORONTO

# Sales Management

A Dartnell  Publication

Volume Eight

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Number Nine

## Small Industries Marking Time For Need of Marketing Ability

*Believing there are hundreds of potentially large advertisers in America's small manufacturing communities, Sales Management sent a reporter to make a survey of the plants in Janesville, Wisconsin. His report verifies our contention that hundreds of small industries, which are already well established and amply financed, could be built up into large national advertisers if they could obtain the right sort of merchandising counsel during the first year or so of advertising*

*By a Member of the Dartnell Editorial Staff*

TO obtain a better understanding of what industry is demanding of sales and advertising specialists today, the writer recently visited Janesville, Wisconsin, and made a canvass of every manufacturing plant in the city. The purpose was two-fold—first, to ascertain, if possible, what advertising and sales possibilities existed among a group of small industries, and second, to obtain a better idea of what the small manufacturer expects and needs in the way of sales, advertising, and marketing ability.

Janesville is perhaps an average town. It is supported partially by the farming and dairying industry which surrounds it, and partially by the manufacturing activities centered there. In Janesville one manufacturer has made an outstanding success. The Parker Pen Company, probably the leading industry in the city, has risen to the very pinnacle of sales achievement. Back of a good product they have built up a sales and marketing plan which has put them in the front rank of fountain pen manufacturers. Their story is too well known for comment here.

What we are interested in, so far as this article is concerned, is what similar methods can do for

other industries in Janesville and dozens of other cities where semi-idle plants are the rule and not the exception.

As an example of the need for more aggressive sales plans and methods, let us consider the business of the Rock River Cotton Company, a concern whose sales approximate a million dollars a year. This company turns out cotton batting—used to make bedding, such as comforts and quilts. It seems that for a number of years the blanket manufacturers have been using such aggressive sales methods that the cotton batting industry has just about marked time. The sales of the industry have not progressed to any notable extent.

### Problems in Selling Batting

There are about half a dozen large concerns which do a national business, and a number of smaller local concerns whose sales are confined to small localities. The product, as sold by the Rock River Company, is put up in convenient packages and sold direct to the retailers. One good retailer in a town of twenty thousand population will sell, in a year, approximately a thousand dollars worth of cotton batting. The product,

according to an official of the company, has many advantages. Bed clothing made from fresh, clean, sanitary cotton is highly desirable. Many people prefer comforts to blankets. It makes a soft, fluffy, downlike covering for the bed. It costs no more than blankets, and will wear as long—and in some cases longer than the cheaper blankets.

In the past women carded their own cotton, and made their own comforts. It was often customary to use waste cotton, or cotton lint-ers, an inferior grade of cotton which is a by-product of the cotton oil mills of the south. In fact, the Rock River plant was established, about thirty-five years ago, to use the waste cotton from a cotton mill which was then in operation in Janesville. But today cotton batting is made from new cotton.

In spite of the high quality of the product, the demand for cotton batting is at a standstill, according to an official of the company. What can be done to stimulate demand? That is their problem. Several years ago there was an association of cotton batting manufacturers, but it has since been disbanded. At one time the association thought seriously of

advertising collectively. This, it was thought, would stimulate demand and put new life into the industry. But for some reason the advertising plan was abandoned.

Yet, to quote one of the officials of this company, "The business is here for any of us who will go after it. There is no reason why the sales of the entire industry could not be doubled. In our own case we have the facilities, the money, and the organization to double our sales. We are anxious to join hands with the other manufacturers in a joint advertising campaign. All we need is some one to take the lead and formulate the plan."

### Marketing Cotton Batting

To the outsider, unfamiliar with the inside difficulties in this business, it seems as if it would be a simple matter to formulate a sales and advertising plan which would, in a few years, double the sales of this one concern. There are many things which could be done. The company already has a national sales organization. Its business is well established and its salesmen have entree to, and are selling many of the largest stores in the country.

To start, it seems obvious that a book of instructions would be the first step in re-awakening the interest of housewives in bed clothing made from cotton batting. This book could be given free with every package of the product. The sanitary appeal could be played up forcefully, because when ready made bed clothing is purchased, there is no way of telling what sort of cotton is used inside. It may be cheap, short linted, none too clean, or it may be cotton waste, but when a woman buys cotton

batting and makes her own comforts, she knows exactly what she buys.

Merchants take little interest in the sale of cotton batting, but there is a good profit in it. If they knew it was to be advertised, it is conceivable that they would make greater efforts to sell more of it. At present the company is doing no advertising of any kind. No direct mail solicitation of orders, no consumer work, and little promotion work of any kind is done to back up the salesmen.

The company has a brand name—Crown Jewel—which is already well known among the trade. This name could be advertised and a demand built up, while at the same time the advertising would re-awaken consumer demand or acceptance for cotton batting.

It wouldn't be necessary to spend a great fortune to do this. Housewives have an intense pride in the furnishings of their homes. Their interest could easily be aroused, and with a modest campaign it would doubtless be possible to create, not only a greater consumer acceptance for the Crown Jewel brand, but to create a vast new demand for cotton batting. Here, it seems to the writer, is a real opportunity for advertising and better sales methods to demonstrate the fact that no industry today need step aside and watch competitors take its business away—that no industry really needs to mark time. A man who understands this field, and who knows how to apply modern marketing methods to it, can do a real service to the industry, or to any of the leaders in the industry.

Perhaps the next most interesting possibilities for aggressive

sales and advertising plans in Janesville are to be found in the business of the Janesville Fence & Post Company, an old established manufacturing plant, well rated, and doing business in the mid-west. This concern manufactures wire fencing and steel fence posts. It has at times conducted advertising campaigns in some of the farm papers and has used direct mail advertising to the dealers. Its products are sold direct to the dealers.

The fence manufactured by this company has a number of special features that would offer, to the skilled advertising man, a real opportunity to create advertising that would interest the farmers.

### Possibilities in Fencing

One feature—a swinging joint—enables the fence builder to erect the fence over uneven ground without difficulty. This swinging joint could be made one of the features of any campaign, but the big thing which needs to be sold is doubtless the need for better fencing. Farmers today are taking more pride in their farms. The old fashioned farm, with unpainted barns, piles of unsightly abandoned machinery, rundown equipment, and dilapidated fences, is fast disappearing. Building a sales appeal around the added value of a farm that is properly fenced ought to create a demand for fencing that would bring a big increase in the sales of this company. The exclusive features of the company's fence could be stressed to sell their own particular brand, but the big appeal could probably be made to the farmer's pride in a better appearing farm.

(Continued on page 712)



In hundreds of small towns such as Janesville, there are many small manufacturing plants which are potentially large advertisers if the right sort of merchandising methods are applied to their problems





Circles show the location of one or more members of the National Wholesale Druggists' Association

# A Survey of Merchandising Trends in the Drug Field

The Second of a Series of Reports Dealing With Some Present Revolutionary Jobbing Practices in Principal Lines of Business

*By Roy W. Johnson*

Eastern Editor, "Sales Management" Magazine

FROM the standpoint of a mere observer, with no axe that needs sharpening and no preconceived theory that requires support, the merchandising trend in the drug field that seems to merit closest attention from manufacturers is the changing attitude on the part of the jobber. There is considerable evidence (which is not wholly confined to the drug trade, either) that the jobber is growing tired of posing as the innocent and helpless victim of circumstances: that he is becoming conscious of his power and is showing a disposition to use it.

As stated in connection with the radio survey published in *Sales Management* for March 21, this writer is no clairvoyant, and has no inclination to pose as a prophet,

but if some tendencies reported by jobbers in the drug field are carried to their logical conclusion on any broad scale, there are likely to be eventualities that may upset some very comfortable theories.

Some years ago, in discussing the growth of the chain store, one of the shrewdest merchandising men in the country said to me: "The general merchandise jobbers are the prize boneheads of business history. They have got more power, actual and potential, than any other factor in the situation. And they have never found it out. They meet and kick and complain and pass resolutions asking Congress to pass legislation, and go home again.

"If they ever wake up and apply constructive, scientific analysis to

their own business, some of our leading advertising enthusiasts may have to go to work!" All of which may be taken for what it is worth. It is worth noting, however, that jobbers in the drug field are beginning to do that very thing, and the results are likely to be worth watching.

It is my impression, from a study of the rather voluminous mass of correspondence received in response to a questionnaire sent out six weeks ago and a large number of discussions and interviews since, that there is a tendency among manufacturers to minimize the importance of the jobber as a factor in drug trade distribution, and to regard his attitude towards his own business as a matter of little consequence one

way or the other. I have a number of letters, for example, calling attention to the report of the Harvard Bureau of Business Research in which the average net profit of a group of 117 wholesale druggists was shown to be 1.4 per cent of net sales for 1923.

Many others cite the growth and prosperity of the chain stores as evidence that the influence of the jobber is steadily decreasing in importance. Still others point to the cooperative buying syndicates as a factor of greater importance than the service wholesaler. With a few conspicuous exceptions, the general opinion seems to be that the jobber is not going anywhere in particular of his own initiative, and that it would be a matter of very slight importance if he were.

#### Chains vs. Independents

Perhaps those manufacturers are right about it. It may be that the service wholesaler will be powerless to extricate himself from the not very enviable position he is occupying, between the devil of the chain store and the deep sea of the cooperative. I am expressing no opinion as to that. But unless my judgment is seriously at fault, the service wholesaler is likely to put up a rather impressive fight before he surrenders to the inevitable. In the course of such a contest, sundry stray dornicks are quite likely to find a target among the innocent bystanders—if manufacturers insist upon regarding themselves in that light.

I am not holding any brief for the jobber, as against the chain store, the cooperative, or anybody else; but before discussing his recent activities in detail it will be as well to take a brief glance at the statistics, as a means of judging the extent of the assorted damage he may do if he really starts to raise a ruckus.

According to the 1925 edition of the Era Druggists' Directory, there are in the United States 52,304 retail drug stores. Of these, approximately 2,000, or 4 per cent, are

chain stores which buy wholly, or in large part, direct from manufacturers. Reports as to the exact number of chain stores vary considerably, above and below that estimate, due to variations in the definition of what constitutes a chain store.

Some manufacturers report as many as 558 organizations recognized as "chains," while others recognize less than 400 as being entitled to the classification. The latest and most authoritative survey of the situation appears to be that made by the Druggists' Circular in November, 1923, which showed a total of 48,713 retail drug stores, of which 1,751 were chain stores, operated by 326 separate organizations. The increase in the number of retail stores since that time has probably been paralleled by a corresponding increase on the part of the chains, but it is doubtful if the figure of 4 per cent of the total has been materially changed. Chain store development in the drug field has consisted mainly in buying out and taking over stores already in existence—not, as in some other fields, in starting new stores in undeveloped territory.

The figure of 4 per cent, however, does not by any means represent the relative volume of business done by the chains. According to estimates made by the National Wholesale Druggists' Association (which probably do not err in favor of the chain stores), the average annual volume for all stores was between \$24,000 and \$25,000 in 1923; the average for independent stores alone was \$21,000, and for chain

stores \$69,000. Accepting these estimates at their face value, we have a total volume of \$1,044,000,000 for the independent stores, and \$206,000,000 for the chains. It is claimed by the wholesalers, and I do not find evidence to dispute it, that only about 15 per cent of the total volume of business in the drug field goes through the chains.

As a matter of fact, I think it is probable that the invasion of the chain store in the drug field has benefited the jobber almost as much as it has injured him. As everybody knows, the chain store has brought about what practically amounts to a revolution in the field. It has taught the retail druggist to become a merchant rather than a dispenser of pills and potions, and has demonstrated that he could broaden the scope of his trade enormously. A comparison of the typical drug store of today with that of twenty years ago is a striking demonstration of what has followed in the wake of the chains.

#### The Cooperative Wholesale House

The thorn in the jobber's flesh is not the chain store, but the cooperative wholesale house, organized to buy direct from the manufacturer by pooling the orders of its stockholder members. There are in the neighborhood of about thirty of these organizations in the drug trade, operating for the most part in thickly settled sections of the East and Middle West: Philadelphia, Baltimore, Washington, Cleveland, Chicago, Minneapolis, and covering more or less the territory in between. These cooperatives employ no salesmen, do no selling, extend no credit.

Through his cooperative the retailer can buy goods that are in steady demand at prices considerably below the jobber's prices for the same merchandise, and at the end of the year he gets a share of the profits earned by the organization. So far as the fast moving, advertised specialties are concerned, the jobber is practically out of it entirely; but the retailer must still depend upon him to supply the slower

## What is Happening in the Wholesale Dry Goods Field?

**R**OY JOHNSON will attempt to give you the answer to this question in an early issue of SALES MANAGEMENT magazine. In this field, just as in the drug field and other major divisions of the merchandising world, many changes are taking place. Jobbers and manufacturers are trying out new policies and new ideas. Every sales manager who sells through, or to the wholesale dry goods trade, will want to read and study this article.



moving items that cannot be had through the cooperative because there is not enough demand to make up a quantity order.

This leaves the jobber in a position from which little comfort can be extracted. In dealing with the retailer member of a cooperative he is obliged to forego the most profitable section of his business, and at the same time to supply the slower-moving items and extend credit into the bargain. Though the jobbers who answered my questions exercised considerable diplomacy in their comments on the cooperatives, there is not much doubt that it is this form of competition, rather than the chain store, that is regarded as serious.

#### National Druggists' Association

It is noteworthy, of course, that both chain stores and cooperative wholesalers are located for the most part in the larger cities and suburban territory. This means, of course, that a larger proportion of the jobber's volume must be sought from outlying districts, and at greater expense.

There are also in the neighborhood of 10,000 retailers who are stockholders in the United Drug Company, as well as several thousand more who are associated with other cooperative manufacturing enterprises. This naturally results in cutting another slice off the jobber's volume.

This particular form of cooperative enterprise, however, is not so popular as it was some years ago. The United Drug Company has been well managed, and has prospered, but a large number of those who started out to emulate the success of the Rexall Stores have failed to make a go of it, with disastrous results to their stockholders.

According to the National Wholesale Druggists' Association, there are in the United States 292 "service wholesalers" operating from 312 distributing points. This figure is arrived at by eliminating from the list of 900-odd concerns all those which do not render a complete service to the manufacturer and retailer according to the following definition: "A service wholesaler is one who operates under his own capital, carries complete stocks of merchandise

## An Analysis of the Annual Volume of Business Done by Independent and Chain Drug Stores

STATE	Total Number of Stores	Total Business in Thousands of Dollars	Total Number of Chain Stores	Total Business in Thousands of Dollars	Per Cent of Total Volume Done by Chains
Alabama	875	\$21,000	16	\$1,104	5.2
Arizona	130	3,120	7	483	15.5
Arkansas	837	20,088	4	276	1.37
California	1,716	41,184	175	12,075	29.3
Colorado	570	13,680	25	1,725	12.6
Connecticut	596	14,304	39	2,691	18.7
Delaware	102	2,448	11	759	31.1
Florida	697	16,728	4	276	1.6
Georgia	1,021	24,504	48	3,312	13.5
Idaho	241	5,784	12	828	14.3
Illinois	3,102	74,448	141	9,729	13.0
Indiana	1,632	39,168	98	6,762	17.2
Iowa	1,538	36,912	34	2,346	6.3
Kansas	1,137	27,288	32	2,208	8.0
Kentucky	852	20,448	41	2,829	13.7
Louisiana	741	17,784	44	3,036	17.0
Maine	388	9,312	3	207	21.2
Maryland	549	13,176	16	1,104	8.39
Massachusetts	1,729	41,496	88	6,072	14.6
Michigan	1,894	45,456	129	8,901	19.5
Minnesota	909	21,816	32	2,208	10.1
Mississippi	669	16,056	3	207	1.28
Missouri	2,211	53,064	45	3,105	5.85
Montana	312	7,488	—	—	—
Nebraska	910	21,840	4	276	1.26
Nevada	47	1,128	1	69	6.1
New Hampshire	231	5,544	1	69	1.2
New Jersey	1,421	34,104	22	1,518	4.5
New Mexico	135	3,240	—	—	—
New York	4,627	111,048	250	17,250	15.5
North Carolina	818	19,632	11	759	3.86
North Dakota	335	8,040	5	345	4.29
Ohio	2,021	48,504	42	2,898	5.97
Oklahoma	1,307	31,368	28	1,932	6.15
Oregon	424	10,176	5	345	3.39
Pennsylvania	3,392	81,408	151	10,419	12.79
Rhode Island	291	6,984	34	2,346	33.59
South Carolina	564	13,536	12	828	6.1
South Dakota	402	9,648	—	—	—
Tennessee	790	18,960	27	1,863	9.8
Texas	3,020	72,480	51	3,519	4.85
Utah	190	4,560	31	2,139	46.9
Vermont	155	3,720	—	—	—
Virginia	740	17,760	13	897	5.0
Washington	651	15,624	42	2,898	18.5
West Virginia	434	10,416	15	1,035	9.9
Wisconsin	1,047	25,128	14	966	3.8
Wyoming	114	2,736	—	—	—

required by his customers, extends credit to the retail trade, and employs salesmen to solicit accounts."

Of these 292 service wholesalers, 244 are members of the association and a census just completed shows that they employ 3,073 salesmen, or one for each 13.7 of the 52,304 retail stores. Desk and floor salesmen total 663, and the traveling force 2,410. City salesmen number 598, and the country force 1,675. There are 29.8 city accounts per salesman, and 20.5 country accounts. Supplementing both city and country forces are 294 specialty salesmen, who handle specific lines, such as laboratory products, soda fountains and fixtures,

confectionery, tobacco, electrical goods and other lines not limited to drug stores.

For the guidance of manufacturers, the association has recently published a large desk map, showing the location of its members, the number of retail stores in each state, and the population of each state according to the 1920 census. For use in connection with this map, the association furnishes a complete list of its members, giving the number of salesmen employed, classified as "city," "country," "specialty" and "inside," together with data as to the territory covered regularly and part time. By reference to the map, the

(Continued on page 703)



# Why Ned Jordan's Letters to Dealers Dodge the Waste Basket

Dry Subjects Which Have Been Hashed Over Many Times Become Interesting When a Touch of Humor Livens Up Letters

The following letter printed on a sheet seventeen by twelve and a half inches, folded once, and entitled "The First Laugh and the Last Laugh," is one of a series which Edward S. Jordan, president of the Jordan Motor Car Company, sends to his dealers.

It is printed here to show what a delightfully interesting document can be made out of a dull and perhaps hackneyed subject. Mr. Jordan, in sending out letters of this kind, not only entertains his dealers, but he hands them some food for thought, sugar coated with humor, which is, we think, a plan that many others could follow with profit.—*Editor.*

## THE FIRST LAUGH—AND THE LAST LAUGH

Well—I got an invitation to dinner the other night.

So I had my clothes pressed.

Then I found some shirt studs.

And went out among the better classes.

My host had always driven high priced automobiles.

So after we had covered the whole prohibition subject again, explained the Dodge situation and why the owners wanted to sell and why the bankers wanted to buy, and why there would be no big combination immediately, I rolled up my little napkin and put it behind the picture on the mantel.

I never did know what to do with a napkin.

Frequently I stick it in the breast pocket of my coat thinking it is a handkerchief.

That's always embarrassing.

Then we had dinner.

## HERE'S HOW IT STARTED

Of course, I am like the old hide buyer who, when I asked him why he didn't do something socially, replied, "I don't know nothing about nothing but hides and you can't talk about hides socially."

So we talked about the automobile business.

One man said he owned a Jordan car.

He seemed to think it was not necessary any more to spend \$10,000 for an automobile.

After he had sunk from the high priced field into the depths of just good automobiles, he had purchased two cars which cost between \$5,000 and \$6,000 apiece.

He discovered that those cars did not get him anywhere socially because there were so many big, old-fashioned bulky cars just like them in the funeral processions.

So he decided he would take a chance on his social position and buy a Jordan.

About this time one of the women got off on the subject of art.

That didn't stop us.

## IT'S THE SECOND HAND VALUE THAT COUNTS

So another man said that he had driven high-priced cars for years, and while he liked the riding qualities and the position of the lamps and the power in the motor, and the impression it made on the man who washed the car at the garage, he could not see why they brought so little in the second hand market.

Then one of the women said that she did not think that young people in the present generation were really so bad as pictured.

She thought some of the elders were worse.

But that conversation didn't last—we went right back to the automobile business.

## HERE'S WHERE THE FIRST LAUGH COMES IN

Then another man told me how he bought his automobile.

He said a half dozen salesmen came to him in an effort to sell him a new car.

He said to them, "I don't want to hear any of your high speed salesmanship. Take a pencil and paper and write down one figure and that amount will answer my question—'How much will you give me for my old car?'"

Of course the fellow selling the high priced automobile was able to give the largest allowance because his car sold at a high price.

Besides, some of the members of the family thought they would like to have a luxurious automobile like that.

So when all the salesmen had written down the amount they would allow on the old car he sorted out the pieces of paper and chose the one on which the biggest amount was written.

That was the car he bought.

Then we got back to prohibition for a couple of moments again.

Millions of words have been wasted on that subject.

Finally someone said, "What do you think about this man's method of buying an automobile?"

I said, "I think he has had the first laugh."

## NOW FOR THE SECOND LAUGH

"He thinks he got a bargain because the salesman for the high priced car convinced him that he was giving him a larger allowance for his old car. The sum of money which he wrote down on the piece of paper and which he thinks he got for his automobile, looms large today.

"The last laugh, which is always the best one, will come a year from now, when he sits down and writes on a piece of paper the amount that he is offered for that old car when he brings it to the second hand market."

That was really enough conversation about the automobile business—you simply cannot talk about your business all the time.

So we talked about literature, the drama, spiritualism, morals, jazz, the income taxes, the problem of working for our servants, and everybody decided that bright colors would be worn profusely this season.

(Continued on page 704)

# Is It Ever Safe to Base Appropriations On Last Year's Billing?

## How to Formulate Sales and Advertising Budgets that Insure the Proper Financing of Sales Activities Month by Month

IT is customary among a great many concerns to base their sales appropriation, not only for actual selling, but advertising as well, on last year's business. Too much cannot be said against this policy, particularly so far as advertising effort is concerned. If conditions are such that a given increase in volume can be handled by the factory at a comparatively slight increase in production cost, then obviously it would be foolish not to appropriate more money to get business under those conditions, than if the factory was already at capacity and any increase of business would represent greatly increased production expense.

There is a point of diminishing returns in setting budgets that must be closely watched. It is the point which represents a given volume that can be handled at the maximum profit. The appropriation should aim to keep sales up to that point, and it should be content to hold them there. This is in contrast to the principle generally advocated by sales managers, who see in volume the answer to all business ails. But it should be remembered that operating a sales force is a good deal like operating a gasoline launch. A fifty horsepower engine will drive the boat, let us say, twelve miles an hour with great efficiency. If you want a speed of two miles an hour more, you may have to use 100 horsepower, and if you want twenty miles an hour, you will need 300 horse power. Every additional mile requires an increasing expenditure of energy.

The best method for laying out your budget is to rule up a large

sheet with a wide column for every item of expenditure, such as "executive expense," "clerical expense," "salesmen's commissions," "traveling expense," "bonuses," "drawing account losses," "samples," "salesmen's bulletins," "sales manual sections," "contest prizes," etc.

These columns should be wide

seasonal fluctuation these fluctuations should be worked out in percentages and the same percentage figure used in arriving at the monthly budget.

For example, by analyzing your sales and expenses for a few years back you find that you do 11 per cent of the year's business in January, and 11 per cent of your sales expense is incurred in December. This would indicate that the January sales represent billing, and that the effort spent in securing this billing was spent in December; therefore in making up your budget for December you would be governed both by your January billing and your previous December expenses.

A common mistake made in laying out a budget is to divide the appropriation entirely on the basis of billing. This, of course, is wrong, especially in the case of a concern depending upon mails for business. Here the expense is often incurred several weeks before the results of the campaign are reflected in the billing.

In arriving at the expense to be allowed for operation of the sales department, it is customary to use last year's figures, plus 5 per cent. If any large increase in sales is planned, an additional allowance must be made to care for the handling of that business. This 5 per cent increase takes care of the salary increases to the staff. It is true, of course, that some salaries will be increased more than 5 per cent, but these will be offset by changes in the personnel, and those cases where no increases are given. It has been pretty well



### How Much Shall We Spend Next Year?

"NEARLY every advertising appropriation is based on last year's sales. Although this is the customary method, it is a very loose and unscientific way. Moreover it is a dangerous way. It is equivalent to grinding with water that has gone over the mill. Many concerns lost thousands of dollars worth of business in 1922, for example, because they based their 1922 advertising budget on 1921 sales. Had these concerns used estimated sales for 1922 as a basis of fixing the budget, making all their plans accordingly, and then cutting down in the event that their expectations were not fulfilled, they would have done much better."

enough for three entries side by side. The first entry is the proposed figure for the current year or month. The second column is for the actual expenditure. The third column is for last year's figures.

These budgets should be worked out on a monthly basis to get best results, except advertising expenditure, which is generally handled separately from sales, if the advertising campaign is not evenly distributed over the year. In businesses where there is a heavy



established that in order to hold an organization together, you have to figure on a 5 per cent increase in sales overhead every year; this is what business men mean when they tell you a business cannot stand still. If sales are not increased at least 5 per cent each year the increased salaries and expenses will have to be made up out of profits.

When possible, the principal executives should be put on a profit participation plan which will take care of this annual increase. One plan of this kind is to set the bogey which represents the volume of sales the business must have to pay the required dividends on its stock, and transfer a satisfactory profit to surplus. After this volume has been obtained, all employees in the sales executive department receive a bonus of one per cent of their salaries. Then for definite further increases, further percentages are added. In the case of a rapidly growing business, or a business where new lines are being added, it is often wise to put a limit on the percentage to be given. One concern which uses this bonus plan, pays one per cent bonus on salaries for each hundred thousand dollars of increased volume over the previous annual high water mark.

#### **The Budget for Salesmen**

If the salesmen receive a straight commission, paying their own expenses, the determination of the correct amount for salesmen in the budget is simple. The only extra provisions which must be covered are possible losses through advances to salesmen, and items of equipment, such as samples, etc. But when the sales force is otherwise compensated it is not so easy. In arriving at the appropriation for salaries, last year's figures are generally used, but it must be borne in mind that salaried salesmen, unlike commissioned salesmen, are paid this year for what they sold last year. If you know what relation your salesmen's salaries bear to your total sales, a simple way to determine this increase is to compute the increased business you did last year, and apply your percentage of salaries to sales to that amount. This calculation will be a little high, because some of your salesmen

will have been taken care of last year, but you will be surprised how close you will come to hitting the mark by figuring your salesmen's payroll on that basis.

Of course, in the case of a business increasing its sales rapidly, or where the sales increase is due to causes other than the personal effort of the sales force—for example, where heavy advertising has been done—this rule will not apply. In that case there will be replacements in the sales organization which will equalize the increases normally allowed. In fact, there are cases where the total cost of the advertising has been paid out of savings effected in the sales department through the use of less skillful salesmen, and more intensive covering of territories.

#### **Advertising and Sales Costs**

Nearly every advertising appropriation is based on last year's sales. In the case of a company introducing a new specialty, such as the campaign now running for "Pep," the budget will probably include for advertising an amount that represents the profit on the preceding year's operations.

Although it is customary to arrive at an advertising budget this way, it is a very loose and unscientific way. Moreover it is a dangerous way. It is equivalent to grinding with water that has gone over the mill. Many concerns lost thousands of dollars worth of business in 1922, for example, because they based their 1922 advertising budget on 1921 sales. Had these concerns used the estimated sales for 1922 as a basis in fixing the budget, making all their plans accordingly, and then cutting down in the event that their expectations were not fulfilled, they would have done much better.

Still another factor that is lost sight of in fixing the advertising appropriation is the effect of advertising on sales cost. Unfortunately for the sales manager, those who direct the finances of most business enterprises look upon advertising as an expense and treat it as an expense. This may be conservative management. But it must not be forgotten that when you spend a thousand dollars in

advertising, a definite result is accomplished. In other words you buy something. And the thing you buy is decreased selling expense. Take the case of Campbell's soups. When Campbell started national advertising in 1921 their combined sales and advertising expense was 21 per cent. It is now less than 5 per cent. This reduction in selling cost has been effected by advertising. But it would never have been effected if the management of that business had limited its advertising year after year to a small percentage of each preceding year's sales.

While it may be desirable to use a percentage of last year's sales as a base to work from, the advertising appropriation should be determined by a consideration of many factors. Sometimes it is possible to get the funds for increased advertising by withdrawing the commission paid to salesmen on those products which are selected for advertising leaders, and giving the salesmen a slight increase in commissions on other products instead. This was done by Andrew Jergens Company when it introduced Woodbury's Facial Soap, and in spite of the fact that the salesmen have not been pushing this leader, its sales have increased 3000 per cent in twelve years.

### **New Ford Purchase Plan Launched in Detroit**

A new weekly purchase plan for Fords has been worked out by Detroit agents for this car. A payment of \$12.60 secures delivery of a car under the new plan; the balance is payable \$5 weekly.

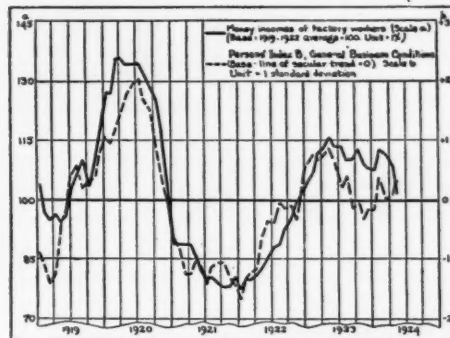
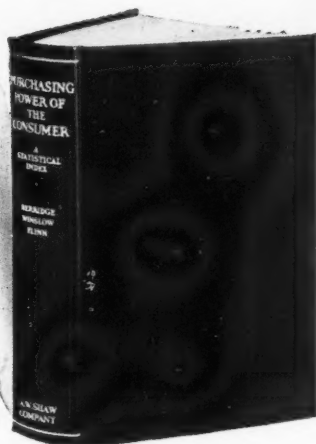
Formerly a one-third payment was required for delivery, with the remainder in installments at the convenience of the purchaser, no set weekly sum being fixed.

The new plan was worked out by the Detroit Discount Corporation, which finances the sales in the Detroit territory.

The announcements of the new purchase plan are reported to have brought a flood of inquiry from prospective purchasers. Two endorsements of the ability of the purchaser to pay are part of the requirements of the operation of the idea.



SUGGESTIONS of methods for using current public statistics as a measure of purchasing power.



CHARTS, diagrams and tables showing the relations between business conditions and consumers' ability to buy.

## Three Studies of the Purchasing Power of Consumers

*Now published in book form*

**I**N an attempt to develop better methods of studying buying habits the J. Walter Thompson Company conducted a prize essay contest on the "Purchasing Power of the Consumer."

From the essays submitted three have been chosen as offering the most assistance in the analysis of buying power.

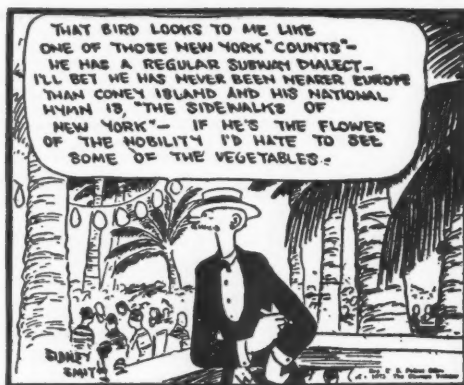
These have now been published in book form.

Sales Managers will find in this

book practical suggestions for working methods by which current public statistics can be used as a measure of the purchasing power of their customers.

We shall be glad to send you a copy of this book upon receipt of \$4.00. If you wish to return the book within five days, money will be refunded. Address Statistical Department, J. Walter Thompson Company, 244 Madison Avenue, New York City.

Andy at  
Palm Beach



## TELL IT TO SWEENEY! —serious thinker

A CERTAIN merchant of this town broke out into print a while ago with some unusual advertising. He called attention to the fact that like every tradesman, he liked to show his best and highest priced stock in his windows—but had lower priced goods inside he liked to sell as well. The baker, he said, fills his window with cake, but makes his living by selling bread. This business, he reminded, has been built on small sales, and small customers were still welcome. And to give point to such utterances, he closed them with exclamatory captions about suits and overcoats at \$35.

One of our men, who has nursed a few men's wear accounts to new business health in the columns of THE NEWS, read these unusual advertisements. Here, he thought, is a man who is cultivating the Sweeneys—whose advertising would make more customers in THE NEWS.

THE MERCHANT gave him audience and his story reception, courteous, cool, and non-committal. At last he leaved through an issue of THE NEWS, stopped opposite the editorial page, and frowned. That, he said, is what I don't like about

your paper. I want my advertising to reach serious thinkers, and not the type of people who read that stuff.

"That stuff" was the Gump strip. Andy Gump, it is unnecessary to tell anybody in the advertising business, is the caricatural character, synthetic of all human weaknesses and wise cracks, who dominates the best known comic strip in the world.



Andy is circulated in about six million copies of more than two hundred daily newspapers. It is known among publishers as a sure fire feature. It brings the

highest prices ever paid for such a feature, and earns its creator, Sidney Smith, a guaranteed minimum (by contract) of a hundred thousand dollars a year. It has never had a failure—never failed to gain and hold circulation, to make interest and friends. Every publisher who buys it knows that on any blue news Monday, when the world and his copy desk are as devoid of excitement and cheer as an empty slab in the city morgue—that Andrew Gump, Esq. will give the reader his money's worth, will furnish a reason for conning static pages of routine news and advertisements.

For any advertiser to disregard this feature is folly; and to disregard

the people who read it is (harsh word) snobbery.

\* \* \*

ANCIENT GREECE was perhaps the best known hangout for assorted all around serious thinkers. The Greeks hung up new records for philosophy, politics, painting, feasting and fighting; for jurisprudence, ethics, running, democracy, doubting, drama, music, sculpture, speech-making, scoffing, civic conduct and bathing. They advanced every known form of art but one—dress.

Sartorially, they were a total loss.

Socrates, one of their most eminent serious thinkers, spent his whole life in the moral equivalent of a sheet. Diogenes lived in a barrel, but didn't even wear one. All of Greece didn't mean as much to the clothing industry as the Ku Klux Klan. And today, what serious thinker that you know will give a whoop about thirty-five-dollar suits and overcoats—if he isn't too discouraged to think of clothes at all?

\* \* \*

THE ONLY "serious thinkers" who count for anything to any advertiser are those who take your advertising seriously—who take a serious interest in your business, your merchandise, your promises—who think seriously of their own comfort and conveniences and savings and general advancement.



Tell It to Sweeney—serious thinker—the average man and the average family of New York. Tell It to Sweeney who is not too preoccupied or too blasé or too prosperous not to want and be interested in most everything, including what you have to offer. And Tell It to Sweeney in THE NEWS. The largest daily circulation in America now exceeds 800,000; reaches a majority of every type of consumer in every part of New York City; has highest attention value because of its small page; and costs far less than any other medium. Get the facts.

*This is Number Twenty-two of the Sweeney Series.  
If you haven't read the others, write for them.*

March Averages

Daily—859,679

(The largest daily circulation in America)

Sunday—1,099,106

THE  NEWS  
New York's Picture Newspaper

TRIBUNE TOWER, Chicago 25 Park Place, NEW YORK

# Not Essential to "Habla Espanol" to Sell in Mexico

Export Manager of San Antonio Drug Company Points Out Mistakes in Sales and Advertising Campaigns Conducted in Mexico

*By Ruel McDaniel*

"**M**ANY manufacturers of proprietary medicines, drugs and toilet preparations take too seriously the fact that Mexico is a foreign country, speaking a different language, living by customs different from those of America. This gives them a mental vision of great obstacles to overcome in the way of meeting these differences.

"But the fact that Spanish is the prevailing language in Mexico, for instance, does not mean that the fact is cause for forming a mental mountain-like trade hazard. Sixty per cent of the educated people of Mexico—the business and professional men and women—speak English. Go into the city of Monterey or to Mexico City, ask any well-dressed man to direct you to any specified place, and he'll answer you in just about as good English as you use in asking the question.

## **Mexican Market Is Promising**

Several of the other common hazards imagined by manufacturers considering entering Mexico are just as unimportant as this one of language difference when we go to the bottom of them. But there are real difficulties to overcome in selling in Mexico, as I will try to tell you."

Thus G. E. Melgarejo, export manager of the San Antonio Drug Company, sizes up some of the things entering into the problem of selling proprietary medicines, pharmaceuticals and toilet goods in the Republic of Mexico.

Mr. Melgarejo is exceptionally well qualified to speak upon this subject, because of his varied business experience in both Mexico and in the United States. Before coming to San Antonio Mr. Melgarejo was a business man in Mexico and New York. He was at one time Commissioner of the

Department of Commerce of Mexico. Before going with the San Antonio Drug Company he was associated with the Chamber of Commerce in San Antonio, in the Mexican extension division. Thus he has studied and thoroughly knows business conditions in his native country; and his experience on this side of the border has given him the viewpoint of the American who seeks the patronage of the Mexican drug trade.

## **English and French Competition**

"There is a greater opportunity in Mexico now for the manufacturer of pharmaceuticals and toilet preparations than ever before," he said, "for two big reasons. First, people down there are looking upon American-made products more favorably since the World War; and second, business conditions are improving there. Of course, selling the Mexican market is no simple matter by any means."

Mr. Melgarejo explained that prior to around 1910 American remedies and drugs in Mexico were all but unheard of. Germany was supplying all the drugs, practically; and France and England were providing the toilet preparations and proprietary remedies.

Along about 1910 American firms began making a little headway into the market, then along came the World War in 1914 and turned things upside down in a number of ways. The final result was that American manufacturers emerged with a lead on the business after the war was over. They have been holding it ever since. Not only have they been holding their own, but they have been making some gains.

Still, French and English manufacturers are America's strong competitors, and according to Mr. Melgarejo, it will be years before

America overcomes the popular prejudice in favor of these long-established products. French toilet preparations are especially favored; the English pay less attention to the toilet goods business and more to selling proprietaries.

"I am assured from my personal experience that if there is a difference in the quality of French and English products, as compared to those manufactured in the United States, those of this country excel," Mr. Melgarejo declared, "but the people of Mexico don't believe this. The great problem confronting American manufacturers today in Mexico, then, is not the difference in language and customs between that and this country, but it lies in the finding of some quick means of overcoming this popular prejudice for the merchandise of the European countries."

## **Declares Advertising Important**

There are about 3,000,000 of the 16,000,000 people in Mexico who can read and write. Obviously, then, the majority of Mexico cannot be reached through the usual means of advertising as employed in the United States. However, to the manufacturer's advantage, these 3,000,000 people do the bulk of the buying for the nation. They represent the people with the money—the people who have the say—in Mexico.

Advertising, Mr. Melgarejo declared, is of major importance in selling the Mexican market. He criticized the average American manufacturer's advertising methods when selling that market. "American firms advertise, it is true," he says, "but they do it in spurts. When they first enter the field they spend money lavishly on advertising. They donate, say a half million dollars for advertising



the product there. They then jump in and apparently see how quickly they can spend it.

"They run great big advertisements in all the magazines and papers—some of the copy ill-timed and ill-written. The splurge creates a temporary, artificial demand for the article advertised, for Mexicans are among the most responding people on the globe to advertising. This temporary demand causes the local wholesalers and the druggists themselves to load up their shelves with the product. This accomplished, the manufacturer back home considers the job well done and calls off his attack. The result is, the public is just as quick to forget the product as it was to accept it, and the jobbers and dealers are left with loads of the products dead on their shelves. This naturally sours them against the manufacturer in question, and they look with askance upon others in the same field, from the United States.

#### Using Care in Printing

"The French go about their advertising in just the opposite manner. They never splurge. Instead they take a comparatively small advertising appropriation and scatter it uniformly throughout the year. They do not run large copy, but they run little space consistently. The result is, they keep their products continuously before the public and the demand, although not great at any time, is constant. Jobbers and dealers like to handle the merchandise thus advertised, because experience has taught them that whatever demand there is for it when it is stocked will continue for an indefinite period.

"This wide difference in merchandising and advertising methods, coupled with the fact that prior to 1910 all pharmaceutical and chemical text books were printed in French, and prescriptions and specifications in the drug and chemical field were universally written in French, makes you wonder how Americans have made the headway they have down there. And the showing they have made is proof of the rich field there for those who will go after the business along practical lines."

Mr. Melgarejo declared that care should be used in printing names and directions on boxes and bottles for sale in Mexico. They should be, preferably, in Spanish entirely; but the Spanish should be perfect, and in the language of the Mexicans. Many manufacturers are employing both English and Spanish in giving directions and are handling it satisfactorily, however. The words in the name of the article that describe the nature of the product should always be in Spanish, or else the public which does not understand English will not be interested. Take the product, "Hand's Toilet Soap," for example. "Toilet Soap" spelled in English means nothing to the Mexican. Regardless of how attractive the picture in the advertisement is, or how well worded is the text of the copy, he is not interested with the English heading. Use the firm name, "Hand," but translate "Toilet Soap" to Spanish by all means.

The means of selling the Mexican market are varied. Some of the large manufacturers have established their own packing and assembling plants in Mexico City or Monterey and ship the bulk ingredients there and pack and distribute the finished product from the local factory. The advantage in doing this is the saving in duty.

Others are selling to Mexican jobbers, who in turn sell to the druggists in the larger cities. The latter, in turn, supply the smaller retailers—"boticas"—in their territories.

#### The Credit Situation

Still other manufacturers are selling through American jobbers, which method is proving highly satisfactory. One of the big advantages in selling through the American jobber is the elimination of trouble in taking care of duty, special packing and collection of credit data. The latter is a monstrous factor in selling there.

If a manufacturer sells direct to the Mexican jobber he must have a sufficient amount of business to justify having a force and an office there, not only to sell, but to handle credits. In Mexico, said Mr. Melgarejo, it is next to impossible to secure accurate credit ratings of business houses through

the ordinary channels. Each concern which deals with Mexican firms must have its own credit data, collected through its individual channels. The bankrupt laws there are very loose. A firm can go into the hands of the receivers, the owners can come out of the affair wealthy and go about their business, while the bankruptcy proceedings may drag in the court for as long as a quarter of a century, all the while the creditors waiting for a settlement.

Duty on toilet preparations going into Mexico is excessive. As an example. Mr. Melgarejo mentioned Youth Cream, which his firm sells to Mexico at \$2.80 a dozen. The duty is \$10!

Manufacturers considering dealing with Mexico should bear in mind that drug merchandising has not reached the stage of development in that country that it has here, by any means. Typical corner drug stores in the smaller cities are practically unknown. In fact it is only in the larger cities that you find the exclusive retail druggist at all. He supplies the general merchant in the smaller towns with remedies as the small retailer orders them; and the latter places an order only when a customer orders from him. The ancient "medicine man" cures still are practiced by the country people there, and to them prepared remedies are virtually unknown.

#### Sixty Percent of Music Dealers Handle Radio

Six out of every ten music stores in the United States now handle radio sets along with their usual lines of musical instruments, according to figures compiled in a recent survey made of the music trade. Radio will come in for a generous share of consideration on the program of the silver jubilee convention of the music trades, to be held in Chicago June 8-11.

These figures were compiled from a questionnaire sent to seven hundred music stores in all parts of the country. The report shows that the tendency is for dealers to regard radio as just another musical instrument. A relatively small percentage reported the maintenance of separate radio departments.

# If Roto Sells Harness

**WALSH HARNESS CO.**



NO BUCKLES TO TEAR

NO RINGS TO WEAR

February 10, 1925.

The Milwaukee Journal,  
Milwaukee, Wisconsin.

Gentlemen:

We have noted recently in your rotogravure columns, letters from several firms who have been using rotogravure advertising.

We probably have had as unique an experience along this line, as any firm in town. Under ordinary circumstances, we would not consider using newspaper advertising space, as our product is sold almost entirely in the national field to farmers.

The results obtained from our page advertisement were far beyond any reasonable expectations. We are free to say that this page in Journal rotogravure caused more favorable comment than any advertising we ever engaged in. The reprints of this page also brought excellent returns.

Our plans for this year call for an extensive use of rotogravure. We have definitely decided upon this for we feel that rotogravure is so far past the experimental stage that we can apply it with regularity to our business.

Very truly yours,

THE WALSH HARNESS COMPANY

*James M. Walsh*

President.

*What Will  
It Do For  
You?*



**THE** Sunday Milwaukee Journal publishes the only Roto section for Wisconsin people. Here your advertising receives first attention from more than a half-million regular readers in the prosperous Milwaukee-Wisconsin market.

**WOULD** you select Roto advertising as a profitable way to sell your product if you sold harness—mostly to farmers? Possibly not—yet The Walsh Harness Company not only uses Milwaukee Journal Roto successfully, but they say that this advertising has attracted more attention to their product than any other advertising they have ever used.

If Milwaukee Journal Roto can sell harness to a limited market at low cost, how much greater must its selling power be for the advertiser who sells a product in wider demand and which is used by a much larger percentage of those who read The Milwaukee Journal? Investigate the possibilities of Journal Roto! It will be worth your while.

**The Sunday Milwaukee JOURNAL**  
FIRST - by Merit

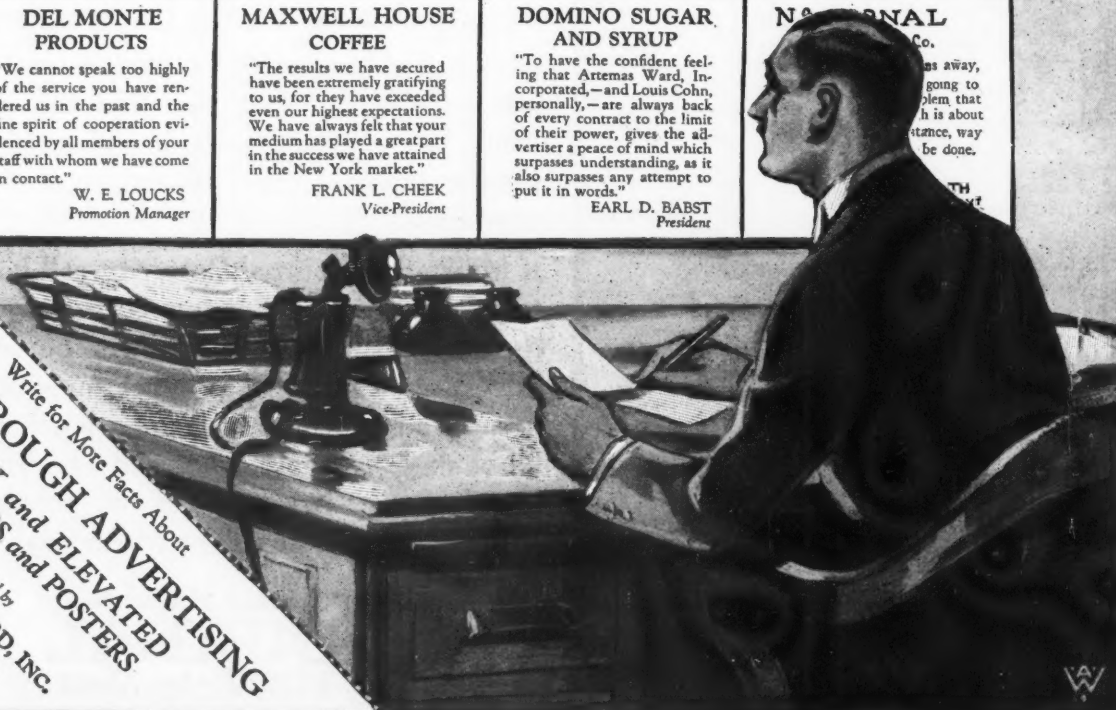


# EVERY SALESMANAGER Should Study This Chart

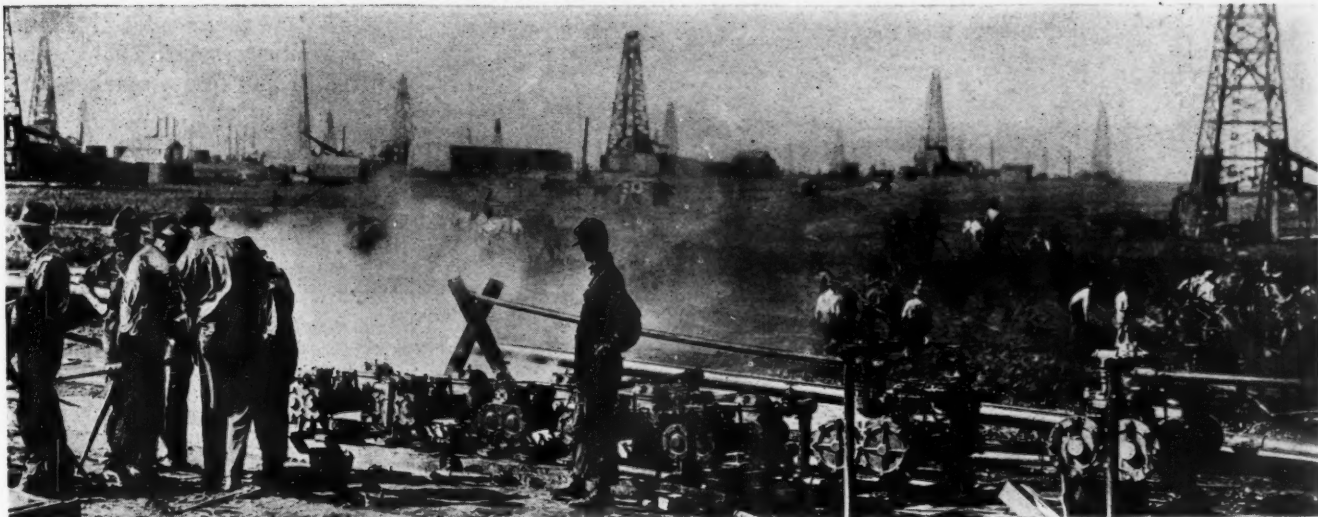
EVERY SALESMANAGER SHOULD STUDY THIS CHART containing excerpts from letters written by some of America's most famous advertisers, telling of sales results attained in New York through the use of Interborough Subway and Elevated Advertising, and their general high regard for this medium

<b>ROYAL SCARLET FOOD PRODUCTS</b> <p>"... and after one year of poster work with your good company, we are very glad to advise that results have proven highly satisfactory. Our sales in the territory covered have increased thirty per cent during the period." A. P. WILLIAMS President</p>	<b>O'SULLIVAN HEELS</b> <p>"We cannot refrain from writing to tell you how splendidly our sales have increased during the first four months of this year (1924). New York continues to be our banner territory." ROBERT H. CORY President</p>	<b>IDE COLLARS</b> <p>"Our business in New York has steadily increased year after year, and it is our belief that this is in no small measure due to our steady advertising in the cars of your company." IRA FLEMING Advertising Manager</p>	<b>BORDEN'S MILK</b> <p>"... our sales in New York City have mounted steadily and we can come to no other conclusion than that our advertising in the Interborough Subway and Elevated has had a real share in building our business." STUART PEABODY Advertising Manager</p>
<b>WRIGLEY'S GUM</b> <p>"Buying space continually for that number of years (20), and increasing our showing whenever we have an opportunity to do so, is the very best evidence that we can offer of what we think of your service." WM. WRIGLEY, Jr. President</p>	<b>HOLEPROOF HOSIERY</b> <p>"In our recent special campaign, on the new Holeproof Exx Toe, we have had an opportunity of checking results directly... and I think it no more than right to let you know that these results were highly satisfactory." W. W. FRESCHL Vice-President</p>	<b>THE MENNEN CO. TOILET PREPARATIONS</b> <p>"In view of the fact that we have been using this service so long, we necessarily must have renewed our contracts several times, which means we must think well of the service. We don't know of any better way of covering the New York Metropolitan district." WILLIAM G. MENNEN President</p>	<b>THE POMPEIAN CO. TOILET PREPARATIONS</b> <p>"The buying capacity of New York City staggers the imagination, and the way your service reaches that field is a gratifying thought to the advertiser." W. W. WHEELER Vice-President</p>
<b>LIFEBUOY SOAP LUX and RINSO</b> <p>"All advertising is said to be good but some is much better than others, and we consider the cars you control to be an excellent advertising 'buy'." F. A. COUNTWAY President</p>	<b>SUNKIST ORANGES</b> <p>"We have been using your advertising service continuously since December 1, 1916, and consider it to be a vital part of our advertising plan for the New York market." PAUL S. ARMSTRONG Advertising Manager</p>	<b>BEECH-NUT PRODUCTS</b> <p>"Needless to say we firmly believe that your posting space has been of real help in stimulating the sales of Beech-Nut products." S. VAN WIE Advertising Manager</p>	<b>NUJOL</b> <p>"We consider the Interborough Rapid Transit Subway and Elevated one of the best car card advertising mediums in the country." STANDARD OIL CO. (N. J.) C. L. Bowman</p>
<b>DEL MONTE PRODUCTS</b> <p>"We cannot speak too highly of the service you have rendered us in the past and the fine spirit of cooperation evidenced by all members of your staff with whom we have come in contact." W. E. LOUCKS Promotion Manager</p>	<b>MAXWELL HOUSE COFFEE</b> <p>"The results we have secured have been extremely gratifying to us, for they have exceeded even our highest expectations. We have always felt that your medium has played a great part in the success we have attained in the New York market." FRANK L. CHEEK Vice-President</p>	<b>DOMINO SUGAR AND SYRUP</b> <p>"To have the confident feeling that Artemas Ward, Incorporated,—and Louis Cohn, personally,—are always back of every contract to the limit of their power, gives the advertiser a peace of mind which surpasses understanding, as it also surpasses any attempt to put it in words." EARL D. BABST President</p>	<b>NATIONAL</b> <p>... away, ... going to ... them that ... h is about ... stance, way ... be done.</p>

Write for More Facts About  
**INTERBOROUGH ADVERTISING  
SUBWAY and ELEVATED  
CAR CARDS and POSTERS**  
Controlled by  
**ARTEMAS WARD, INC.**  
50 Union Square  
NEW YORK  
N. Y.







Underwood & Underwood

# Performance—Not Price, Sells to the Petroleum Industry

America's Oil Industry, Geared to Quick Action,  
Buys On Service and Delivery, Instead of Price

*By a Member of the Dartnell Editorial Staff*

**B**ROWSING through some dusty old government reports, members of a St. Louis firm of paint makers ran across some interesting information relating to aluminum paint. This product, so the report said, had great heat reflecting qualities.

This report proved to be the foundation of a vastly increased business. From it the paint firm took its cue to start manufacturing aluminum paint and selling it to the petroleum industry. The concern had been making a specialty of paint for the railroads, but it was a highly competitive field, where, it seemed, price was the ruling factor in placing the business.

So this company made a survey of the petroleum industry. Tests were made with the aluminum paint which showed that when oil tanks were painted with the aluminum paint evaporation was greatly retarded. Instead of absorbing the heat rays, the light aluminum paint reflected the rays. This was the basis of the sales talk and demonstration which the company's salesmen took to the oil companies.

Being convenient to the mid-continent field, the company was in a position to work the territory thoroughly. The aluminum paint was used as a leader and from this start a big volume of sales of other varieties of paint was soon built up. Today this company is said to control a big share of the paint business of the oil companies.

This is a fair example of the sort of salesmanship that wins trade in this industry. It may be summarized in a few words: "Find the application—rather, the special application for your product—and then sell this application."

The petroleum industry is divided up into a number of different activities. As everybody knows, many of the larger companies, such as the Standard, Texas, Sinclair, and others, enter into practically all of these activities, producing, refining, transportation, and marketing. Some of the smaller companies confine their activities to producing, others to refining, others to marketing.

Production is limited to the drilling and producing of the oil by flowing and pumping methods at the fields. Much of it is then

transported through pipe lines, in some cases thousands of miles, to the refineries. Oil from Wyoming fields is transported either to the refineries, from fifty to a hundred miles away, or through pipe lines several hundred miles in length leading to Missouri and there tying into the cross country lines which run from Oklahoma and Texas through to Illinois, and in some cases, on to the Jersey coast.

A large number of these cross country pipe lines are in existence and the business of transporting oil from the fields across the country to the refineries and market is one of the very large elements in the business, and is often carried on as a separate division from the production, refining and marketing departments. All of the larger companies have pipe line departments, and in many cases, pipe lines are operated independently of their producing or marketing companies.

Large as it is, however, the transportation end of the industry is by no means the only one. The production end, which receives the most attention, and around which are woven all sorts of romantic



Equipment sold to the oil industry must stand gruelling service

and thrilling yarns—yarns of overnight millionaires, towns that spring up in a day, villages that are suddenly transformed into young cities, overcrowded, overrun with profiteers and speculators, having all the elements of the old time mining camps.

Back of this glamorous side of the oil industry is a real market for nearly everything under the sun. The purchasing agent of one of the big companies, whose activities are international, and whose pipe lines crisscross the country, says, "I don't know of anything I am not called on to buy in the course of a year. One day someone from the sales end of the business wants me to buy watches by the dozen for rewards for sales contests. The next day some other department asks me to buy uniforms for filling station attendants, caps or badges for tank wagon drivers, and then while I am buying these smaller items, I may be working with other executives regarding the purchase of refinery equipment, tank cars, or miles of pipe."

But to the salesman who would go into the purchasing agent's office and ask for an order for pipe, or uniforms, or watches, or any of the other items, there would be a cool reception, unless the salesman happened in at a time when the purchasing agent had requisitions for some of these items. So the purchasing agent, important as he is (and many sales managers report that purchasing agents in the petroleum industry are now wielding more authority than ever

before) he isn't the first man to see, nor is he always the right man to reach with your direct mail solicitations.

Find the man who is responsible for the use of your product, and sell him first. One sales manager described the market by saying, "If our salesman can get in the back door to see the refinery superintendent, he stands a much better chance of getting the business than if he walks in the front door and sees the purchasing agent." And this, we think, is the sum and substance of the experiences of all of the many companies that have successfully marketed their products to the oil industry in a big way.

This necessitates a careful study of the industry with a view towards finding out just where your product may fit into its many and far flung activities. There are so many places where a product,



Underwood & Underwood

SALES MANAGEMENT—MAY 2, 1925

seemingly without special appeal to a big industry such as this, may be fitted in and find a market. Just a glance at some of the industry's needs may reveal opportunities for a vast list of products.

Take, for example, a new producing field. Usually the discovery of the field is made as a result of "wildcatting." Once a well is discovered, there is a rush of activity. If the surrounding territory is not already under lease, there is a scramble for leases. If the territory is already leased, there springs up immediately a vast traffic and trading in leases. Then drilling starts in earnest. What is today a barren pasture or a fertile field, may in a few weeks be transformed into a seething human beehive of activity.

### When Oil Is Brought In

First come the drilling rigs bringing a demand for lumber. The ordinary derrick requires in the neighborhood of twenty thousand feet of lumber, from 2,000 to 4,000 feet of casing, pumps, drilling machinery and storage facilities, and if the field develops from a production standpoint, storage facilities. As activity increases, railroads are called on to build extra sidings; the community must build good roads; there is a demand for motor trucks, teams and wagons. New machinery houses spring up and old established houses open new branches. In short, a new industrial community springs up in short order, for the oil industry acts quickly.

For machinery that is essentially adapted to the needs of the industry, there are well established facilities for distribution. There are many companies which specialize in drilling equipment which keep a close tab on new fields, and their salesmen and engineers are on the spot almost as soon as the field gets into production. As soon as the activities warrant, these companies establish warehouses or maintain stocks on the spot. In marketing a product to this end of the industry, many sales managers depend on the supply houses almost entirely.

In marketing a new product, however, it is often necessary for the manufacturer to do some of

(Continued on page 706)

# An Open Letter to Makers Of Everything for the Home

From your Prospects

HOME OWNERS  
SMALL TOWN AMERICA

Gentlemen:

Recently 26965 of us home owners and householders living in and around the Small Towns of America replied to a question by the Editor of THE HOUSEHOLD MAGAZINE on Home Improvement.

65% of us told her we are about to make improvements and what kind. As we constitute what you would call a large "cross section" of the THE HOUSEHOLD MAGAZINE'S circulation, we represent nearly a million families in Small Town America THAT ARE RIGHT NOW IN THE MARKET FOR YOUR GOODS.

11% of us specified paint; 10% of us Building Additions; 7% New Houses; 8% Water Systems; 7% Bath Rooms; 6% Electricity; 4% New Furniture; 2% Porch Screens; 4% Furnaces and so on.

Which BRANDS shall we buy? That depends on two things:

Which of you think we are a sufficiently desirable market to tell us about your brand in the publications that come regularly into our homes and

Which of you see that our Small Town dealers are stocked with your goods. Most of us deal with 103,120 merchants that are also subscribers of THE HOUSEHOLD MAGAZINE.

Trusting we shall hear from you through THE HOUSEHOLD MAGAZINE, we are

Sincerely yours,

*Household Subscribers.*

## The HOUSEHOLD MAGAZINE

More than 1,650,000 Subscribers

Advertising Headquarters  
608 South Dearborn Street  
Chicago, Illinois

TOPEKA, KANSAS  
Arthur Capper  
Publisher

Eastern Office  
120 West 42nd Street  
New York, N. Y.



# The Verdict of Public Opinion

CAN an advertiser's appraisal of a medium be based, to a large extent, upon the public's opinion of it.

In Chicago the Evening American has a much larger circulation than that of the second evening paper. And this fact, while interesting, becomes far more so when you consider that the Evening American sells at 3 cents, (5 cents Saturday), while its fifty-year old competitor sells at 2 cents.

A higher price always signifies a *preferential*. From which it is evident that Chicagoans *prefer* the Evening American.



## CHICAGO AMERICAN

A good newspaper

Daily average net-paid circulation  
for six-month period ending March 31

474,230

# Our One Best Contest

Rewards Mailed to Salesmen's Wives Each Week Boost Sales Ahead of Factory Capacity

*By Joseph B. Clay*

President, Iowa Gate Company, Cedar Falls, Iowa

**T**HE inclination of most salesmen is to sell a dealer a dozen or a dozen and a half items and let it go at that. We recently fixed up a plan whereby we offered our salesmen the opportunity of selling four dozen hog troughs at one time. The plan was to sell the dealer four dozen of the best troughs and to give him half a dozen cheap troughs.

Our idea in offering this plan was to give the salesman a definite objective for every call. As a further encouragement we offered the salesmen a premium or prize for every sale.

We purchased a quantity of silver spoons which cost us approximately \$1.25 each. For every sale of four and a half dozen troughs we gave the salesman credit for one-third of a spoon—or to put it differently, every time the salesman sold three deals of four and a half dozen troughs, he received one spoon.

## Awards Made Weekly

If a salesman was any good, and would really hustle for business, it was easy for him to obtain from two to five spoons each week. On Saturday of each week the spoons were mailed, registered, to the wives of the men with a letter giving them a report on the contest and either complimenting them on the results their husbands secured, or urging further effort.

At the beginning of the contest we sent each wife a sample spoon in advance with a little story about the pattern and some suggestions about encouraging her husband to secure a dozen or more of the spoons. We call the wives of our salesmen our assistant sales managers.

This contest proved to be one of the best we have ever held because it enabled every salesman to participate. If the salesman didn't

obtain a dozen spoons he was just as proud of the spoons he did obtain.

Another good point about this contest is the fact that a salesman isn't required to wait until the end of a four or five week period to begin receiving some of the rewards.

In all of the contests we organize, we never allow a contest to exceed thirty or forty days, and we are partial to shorter contests. This much is of prime importance. Another point we always consider is the ability of every salesman to win some of the prizes. In every contest we always make sure that some reward will be within the reach of every salesman.

## Results of the Contest

Without this, the few stars on any force will get the prizes and the others will not put forth the effort, and will not attempt to get results.

We have found that the reward should not be for a total volume of business covering a week or two weeks or a month. This is too general. It should not be for equaling a quota which has been set by previous years or an average year's record. Quotas are too largely influenced by general business conditions. It should be for a certain specific sized order or a certain specific unit or sale, or some other item on a general line that is well within the reach of every salesman almost every day.

On the contest I have just described the results were particularly good. An analysis of the contest shows that we supplied a spoon costing \$1.25 for every 162 hog troughs which we sold. This amounts to approximately \$150 wholesale.

We sent out about 125 spoons to twelve salesmen, but we sold

during the sixty days the contest lasted, about 20,000 hog troughs. In fact, sales were so good that we fell behind in the factory and were forced to discontinue the plan in order to allow the factory to catch up with sales.

Some sales executives go on the theory that salesmen are always doing their best and that it is futile to use plans such as this one to stimulate sales. Some of them think that a salesman is paid to work as hard as he possibly can and that he should always deliver his best, without any special stimulant at all.

Of course it would be wonderful if people were like that. Theoretically the salesman should work as hard as he can without any special stimulant, prize or bonus. But human nature simply isn't built that way. I doubt if any of us are giving the very utmost in effort. But when we are offered an extra inducement, it is nearly always possible to put forth a little more effort to reach a certain definite goal we have set for ourselves.

## Life Insurance Sales Gain Eleven Per Cent

Writings of life insurance for the first quarter of 1925 show an increase of 11 per cent over the same period of last year, as shown in a report of the Association of Life Insurance Presidents to the Department of Commerce at Washington. This sets a new record in life insurance volume.

Forty-five companies report a total business amounting to \$2,421,461,000 during the first quarter. By months, January showed an increase of 9.1 per cent, February of 16.5 per cent, and March 8.1 per cent over the 1924 figures.

# Houston Convention of A.A.C. of W. to Study Sales Problems

## Special Meetings of Sales Managers and Intensive Study of Foreign Marketing Scheduled for May Meeting

**I**N its broadest sense, the World Advertising Convention to be held at Houston, Texas, May 9-14, might be called a world sales convention. Almost every method, medium and process in the expansion of demand for worth while products and services—personal contact salesmanship, written salesmanship, radio salesmanship and screen salesmanship—will be discussed. A special meeting of sales managers will be a feature.

The theme of the convention, which will be held in Houston's great city auditorium, will be "Advertising as a Means to World Progress." The convention itself in its general sessions, two dozen special and department sessions and international trade and Pan American conference, will emphasize this theme.

### Anniversary to Be Celebrated

Pointing out that the interests of buyer and seller are in the long run identical, the convention will urge the dissemination of accurate and constructive information through advertising.

It will also show how the organized advertising movement embodied in the Associated Advertising Clubs of the World has become, in the last twenty-one years, of vital service to the people of the world.

The occasion of organized advertising's "coming of age" will officially be recognized at the convention.

Speakers who have accepted invitations to speak at the convention include: L. W. Baldwin, president, The Missouri Pacific Railroad, St. Louis; Sir William Veno, president, The Veno Drug Company, Manchester, England, and one of the largest advertisers in Great Britain; Martin J. Insull, president, Middle West Utilities Company, Chicago; George E. Roberts, vice-president, National City Bank, New York; and Major Wynne Williams, advertisement

manager of the Times, London, England.

Not only industry and salesmanship but other vocations will be represented in addresses to the several thousand delegates from North America, South America, Europe and Asia who are expected to attend the convention. The relations between advertising and the state will be discussed by Miriam A. Ferguson, governor of Texas; Hiram A. Bingham, senator from Connecticut; Morris Sheppard, senator from Texas, and Renick W. Dunlap, assistant secretary of agriculture, Washington, and others.

Charles Aubrey Eaton, congressman from New Jersey, will deliver an inspirational talk, Sunday afternoon, May 10, on the theme, "Advertising as a Means to World Progress."

Edith McClure-Patterson, chairman, Home Budget Committee, General Federation of Women's Clubs, Dayton, Ohio, will discuss the consumer's interest in accurate and constructive advertising.

### Governor Ferguson to Speak

The convention will formally open with a "Welcome to Texas" reception in the Auditorium—said to be one of the two finest city auditoriums in the United States—Saturday evening, May 9. Governor Ferguson, Senator Sheppard, O. F. Holcombe, mayor of Houston, and other representative Texans will deliver addresses of welcome. Lou E. Holland, president of the Associated Advertising Clubs, will respond. Officials of the association and prominent delegates will be seated on the stage of the Auditorium.

Sunday will be devoted largely to inspirational features. In the morning there will be lay sermons by prominent advertising men, publishers and industrial executives in downtown churches. In the afternoon Representative

Eaton is scheduled to deliver the keynote address on the convention theme. Governor Ferguson will address a meeting of the Federation of Women's Advertising Clubs of the World in the evening.

Business sessions of the convention will commence Monday morning. President Holland and Mayor Holcombe will deliver addresses of welcome to delegates from overseas. Norman S. H. Catts, Sydney, Australia; Arthur Reber, Berne, Switzerland; Gustaf Rosenberg, Stockholm, Sweden; Arturo Elias, representing Mexico, and others, will respond. Senor Elias is Mexican consul general at New York and a half brother of President Calles.

### Will Stage Water Pageant

Following the reading of a message from President Coolidge, congratulating the Associated Advertising Clubs on the occasion of its "coming of age," Mr. Dunlap, Mr. Baldwin and George W. Briggs, vice president, City National Bank, Dallas, are scheduled to speak. C. K. Woodbridge, president, The Dictaphone Corporation, New York, and chairman of the General Program Committee for the convention, will preside at this meeting.

There will be a luncheon meeting of the National Advertising Commission, one of the two main branches of the association, at noon for election of officers and other business, and a short general meeting in the afternoon, which will adjourn early to permit delegates to take a channel trip to the San Jacinto Battleground for a Historical Water Pageant in the evening.

E. T. Meredith, president, Meredith Publications, Des Moines, and former Secretary of Agriculture, will preside at the general session Tuesday morning. Mrs. McClure-Patterson, Senator Bingham and

*(Continued on page 718)*



The judgment of  
your advertising  
counsel should be  
old in experience  
and young in  
viewpoint.

**McJunkin**  
**Advertising Company**

*Dominant Idea Advertising*  
*Outdoor • Newspaper • Magazine*  
*5 South Wabash Avenue, Chicago*

# Locate your worth while market



Consider two families living side by side on the same street—the Joneses and the Browns.

The two homes are not strikingly different. The Joneses' is a little better built and a little better kept up. The grocer's car, the milk wagon and the postman stop a little oftener at the Joneses than at the Browns. The Joneses' home is better furnished. There are more of the luxuries which have become necessities—a phonograph, a radio, a car. You will find, if you look up the tax records, that the Joneses own their home, while the Browns rent theirs.

It is difficult to learn such facts. Even if you could look inside these two homes, you would not be conscious of the really striking difference between them. That difference is one of state of mind.

But one sure method of discriminating is the telephone wire running to the Jones house and not to the Brown house.

The telephone is the symbol of the difference. It does not make the difference. It simply means that when the Jones family had risen to where life was sufficiently full of contacts and interests and needs and wants to make the telephone a labor-saving device in the business of living, the telephone was installed. The Browns do not have a telephone because in their home the receiver would hang on its hook all day long undisturbed.

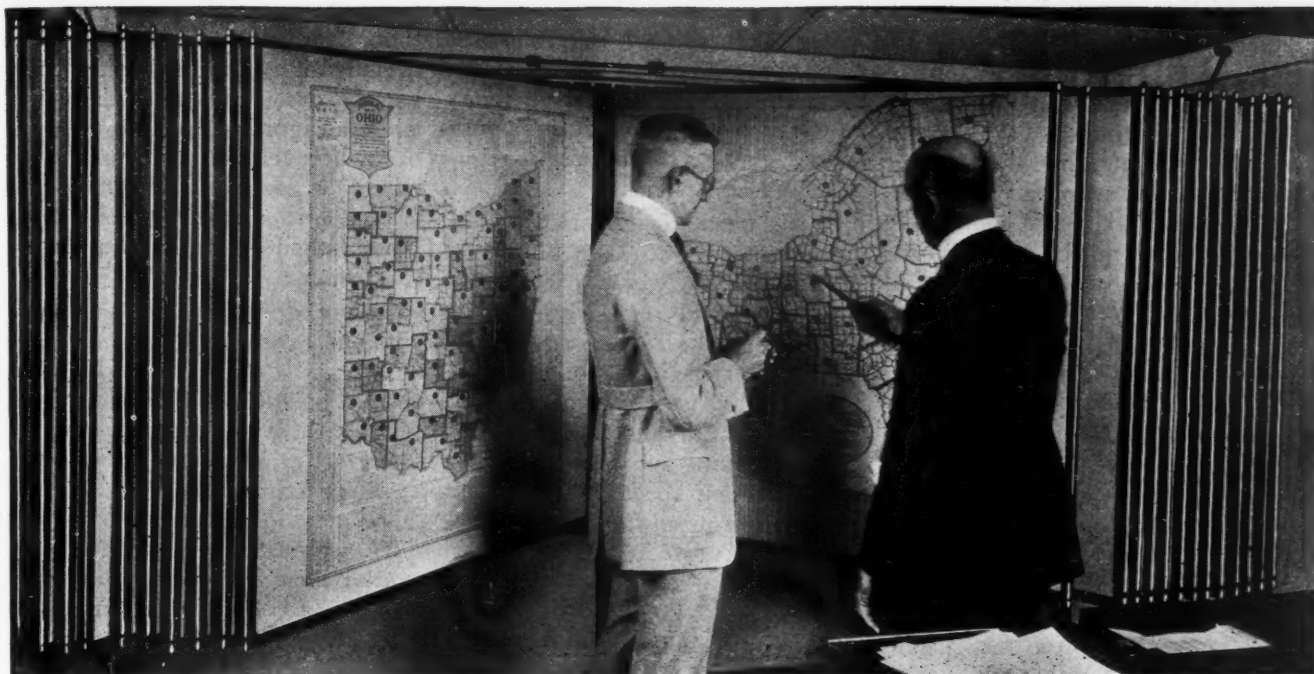
To think of the market for any article whatsoever in terms of one hundred and ten million people is futile. Advertise to those who understand your message and are responsive to an advertising and selling appeal. The telephone is the surest index of this market. One-third of the country's homes have telephones, and it is conservative to estimate that they buy two-thirds of the advertised commodities sold.

It is a good thing for the national advertiser to aim at—coverage of the 8,500,000 families in the telephone market—and obviously the telephone subscriber circulation of a number of magazines must be added together to total more than eight and a half million.

Because in the ten years (1915-1924) The Digest has continuously circularized telephone subscribers, it has increased its circulation to more than 1,300,000 copies per week and can make to the advertiser this definite statement:

The home with  
a telephone is the  
best market  
and the best million telephone  
homes are subscribers  
to

# The Literary Digest



"I have seen our business in wonderful territories go to pieces in less than six months"

# The High Cost of Vacant Territories

Why One Sales Manager Maintains a Force of "Militia" Salesmen Ready to Jump Into Every Territory on a Moment's Notice

*By a Detroit Sales Manager*

**T**WO or three years ago one of our salesmen in a southern state was called away from his territory for two months to settle an estate. When he left the territory he expected to be back in about ten days. The trade was not notified of his absence, and because we expected him to return at any moment, we made no effort to replace him or to work the territory by mail, or to send a temporary man to the territory.

At the time we thought little of what it would cost us. Several of our competitors spread the word that we had withdrawn from the state. It was intimated that our business was unprofitable so far as this territory was concerned and that our line had been unsuccessful. In spite of the fact that many of our customers had been buying in large quantities, each customer felt that perhaps he was an exception. When our competitors told a buyer we had withdrawn from the state they placed orders elsewhere. In those two months our

business received such a setback that it required two years to bring sales back to the point where they were when the salesman left his territory. This seems impossible but it is nevertheless a fact.

Since that experience I have made a desperate effort never to permit a territory be left without attention. We have found that an "open territory" is almost equal to a lost territory. This is particularly true today when buyers are not anticipating their wants as they formerly did. Competition is too keen, stocks are so low, and business is in such a state of flux that to leave a territory unworked for one trip means a loss triple or double what it did a few years ago.

I have two men on my sales force who have no territories. They are responsible only to me at headquarters, and never know from day to day where they will be working next. When a salesman gets sick or has to leave his territory for any reason, one of these men takes up his work right

where he leaves off. Of course if a man is going to be out of his territory only a week or less, we don't bother to send a substitute, but for any period longer than a week we insist on the privilege of covering the territory in any method we see fit—either with these substitute salesmen, a new man, someone from the office, or by mail as a last resort.

If no one is available to cover the territory of a salesman who is off duty, we assign someone here in the office to cover it by telephone, telegraph or by mail. Not long ago one of our best salesmen received the cheerful news from his doctor that he would have to have all his teeth pulled. Naturally this was quite a blow to the salesman, and he wondered how we would handle his territory. He objected seriously to having another man take over his customers. But we pointed out to him what it would mean to have his customers taken over by a competitor. He felt that he could be back in his



territory in a month—we knew that it would probably require about six or seven weeks.

Now this man covers his territory about six times a year. When he left the territory there were some customers who had not been called on in nearly two months—others who had not be called on in a month. So if we left the territory open for another month or six weeks some of the customers would have been neglected for more than three months, and others for better than two months.

We knew it meant an inevitable loss of business if these buyers were not called on. The loss of a temporary order here and there wouldn't disturb us, but once a customer is neglected and places his business elsewhere, it is often a difficult task to bring him back into the fold. Everybody knows that, but some salesmen in their confidence that they have the trade "sewed up," seem to overlook it.

#### **Special Men Replace Absentees**

These two special men are instructed not to press buyers too hard for business. They are asked to make all the calls on regular buyers and explain that the regular salesman has been temporarily called out of the territory and that they are merely making the call to see that every customer is well taken care of. As a rule buyers appreciate this kind of service. It gives us an opportunity to check up a territory thoroughly and get another man's viewpoint on conditions. Moreover these special men often open up new accounts which the regular salesmen have overlooked.

In the past we often allowed territories to remain open for several months if we had trouble in locating the right man to replace a salesman who resigned, was discharged, or left our service for any reason. Today we plan to have someone in the territory almost the same week the territory becomes vacant. Why? Because it often happens that our salesman goes with a competitor when he is discharged or resigns. If we can place his successor in the territory where he left off, we are often able to minimize the losses caused from business which the salesman will take away from us. Naturally

every salesman has some business which he can hold regardless of what house he is representing. But the bulk of the business belongs to the house, provided the house is alert enough to go after it regularly and consistently.

It has been my experience that the surest way to keep out competition is to work a territory thoroughly and regularly, and of course keep the same salesmen in the same territories as long as possible. I have seen wonderful territories literally slip away to almost nothing in less than six months when, through some slip up, we have permitted these territories to be neglected.

#### **How Good Territories Slip**

I have in mind one territory which was worked by one of our oldest salesmen for more than fourteen years. When he died we were slow in getting a man to fill his place. Because it was such a good territory, we wanted a good man to take his position. But we were too particular. While we were making up our minds, competitors were busy spreading the word that our old-time salesman was dead. Accounts which he had held for years slipped away from us. Why? Well, I am not sure, but it seems to me it was because so many of our customers had been so persistently solicited by our competitors for so long that they actually felt sorry for these competitors, but were too loyal to the old salesman to switch. When he died they yielded to the urgent solicitation of the other salesmen who had been after the business for such a long time.

Some sales managers do not realize the bitter competition that faces a salesman who is unusually successful. Every competitor in the territory concentrates all his fire on the most successful competitor. It happens that our trade is particularly strong in Cleveland. For years we have been well represented in this market. We work it intensively. I happen to know that at least three competitors have spent huge sums of money trying to break down our leadership in this market. In another city where our line isn't so strong, we have invested a lot of money in

trying to get a foothold. If anything happens to our Cleveland organization, these competitors will be quick to sense it and will make a vigorous drive to oust our line wherever they can, just as we would in case anything happened to competition in this other market I mentioned where our line is not so strong.

In my department, every man, with the exception of an office boy or two and a couple of clerks, must be in a position to go out and sell. I keep them in trim by sending them out at least twice a year for a selling trip. There are four of these men in the home office besides myself. So with the two regular men whose only duty it is to "sub" for absent salesmen, we really have seven men who can step into an open territory and take care of it until we find a permanent salesman for the vacancy.

At a meeting of a sales managers' club recently, a friend of mine said, "I wish this club had an employment department. I have five open territories where men are badly needed and I can't find the right men for them."

#### **Buyers Need Constant Attention**

"How long have the territories been open?" I asked.

"One has been open a year—the others have been open from one to three months," he answered.

That man had one dead territory, and a couple of others that were fast drying up. He might as well look upon them as new fields when he finally obtains men to fill them. He will find at least 60 per cent of the trade has slipped away from his house. The new salesmen will probably think they are going into an "established territory." In reality there is hardly any such thing as an established territory, and it is only "established" so long as it is vigorously, carefully and regularly worked.

The Ford Motor Company has announced that an assembly plant will be established in Paris, France, within a short time. Production at the new plant will start about August 1, and will provide for the assembly of 150 cars and trucks a day. Location of the plant on the Seine river will permit all-water shipments from this country.



## The only way to advertise "Quality"

*{ An open letter to a manufacturer who seeks }  
{ to place his business on a higher plane. }*

There was once a wise man who told a king that he had discovered a way of making gold out of sand. He explained the process which seemed quite easy, except for one thing. If during the operation the king once thought of the word Abracadabra, the charm was broken and the gold would not come. The king tried and tried to follow the directions, but he could not keep that word Abracadabra out of his mind, and so he never made the gold.

That word "quality" is one of the worst in the language. It means so much that it means nothing. It is so often used wrongly that it cannot be used rightly. The only way to convey the idea of quality in an advertisement is to leave the word out.

In the advertising of a business whose goods really possess quality, which are fine in workmanship and tasteful in design, the workmanship and the good taste must be put into the advertisements. And the word "advertisement" must be stretched to cover every single piece of printed matter that reaches the eye of the public—every label, price ticket, wrapper, package, carton, sign, delivery wagon or display rack. Each must possess and show the good taste, the quality that is in the goods.

It is not an easy thing to do. It is not a one-man job. It needs writers, artists, designers, typographers. It needs vision, imagination, taste, temperament—in short, an organization trained to seize upon the few things—they are always few—that will spell that word "quality" in every form of advertising, without ever breaking the charm by using the word itself.



CALKINS & HOLDEN, INC. 247 PARK AVENUE, NEW YORK CITY

# You listen when an old friend tells it

**T**O the Southerner, his Newspaper is no mere collection of headlines to be scanned hurriedly and discarded. It's an old friend, a daily visitor to be welcomed. The reading of the paper is a daily rite. He is busy these days—extremely busy with a multitude of new and growing interests. But no day is so full that he doesn't take the time to read his paper critically, intelligently, thoroughly. Its columns are a part of his daily life. This is one reason why newspaper advertising in the South is so fruitful of results.

## You Can't Reach the South Through Magazines Alone

The reason for the pre-eminence of the Newspaper here is simple. Magazine circulations are comparatively small. The ten great states listed below have a population of more than seventeen and one-half millions. Even the greatest magazines have a circulation of only one per cent. of this figure. Add magazines and you largely duplicate your circulation. *You can't reach the South through magazines alone. You can reach the South through Newspapers.*

## The South Is Rich and Ready to Buy

The South is surging forward on the crest of a great wave of prosperity. Enormously rich in raw

materials, fertile, blessed with sunshine, it is a vast store house that is only just beginning its task of pouring out riches to the world. Population is increasing, wealth is increasing. There is the will and power to buy. Here is a market ready-made.

Southern Newspapers offer every seller of goods an economical channel for reaching this market thoroughly. Get further information. Write to the Southern Newspaper Publishers' Association, at Chattanooga, Tennessee, or to any of the papers listed here.

## Your Advertisements Have a Stronger Appeal to Buyers in These Papers

### Alabama

Star, Anniston  
News, Birmingham  
Age-Herald, Birmingham  
Times, Huntsville  
Item, Mobile  
Register, Mobile  
Advertiser, Montgomery  
Journal, Montgomery  
News, Opelika

### Florida

Press, Fort Myers  
News, DeLand  
News, Miami  
Herald, Sanford  
Star-Telegram, Lakeland  
Independent, St. Petersburg  
Times, St. Petersburg  
Record, St. Augustine  
News, Palm Beach  
Sun, Gainesville  
Tribune, Tampa  
Times, Tampa  
Sentinel, Orlando  
Reporter-Star, Orlando  
Herald, Miami  
Times-Union, Jacksonville  
Journal, Jacksonville  
Post, West Palm Beach

### Georgia

Times-Enterprise, Thomasville  
Ledger, Columbus  
Herald, Augusta  
Journal, Atlanta  
Constitution, Atlanta  
Journal-Herald, Waycross  
News, Savannah

Observer, Moultrie  
Herald, Albany

### Kentucky

Sun, Paducah

### Louisiana

American-Press, Lake Charles  
Advertiser, LaFayette  
Item, New Orleans  
Times-Picayune, New Orleans  
Daily States, New Orleans  
News-Star, Monroe  
Times, Shreveport  
State-Times, Baton Rouge

### Mississippi

Herald, Gulfport  
Commonwealth, Greenwood

### North Carolina

Tribune, Concord  
Observer, Charlotte  
Advance, Elizabeth City  
News, Charlotte  
Post, Salisbury  
Free Press, Kinston  
Dispatch, Henderson  
Record, Hickory  
Observer, Fayetteville  
Citizen, Asheville  
Times, Asheville  
Gazette, Gastonia  
News, Greensboro  
Sentinel, Winston-Salem  
Times, Raleigh  
Telegram, Rocky Mount  
News & Observer, Raleigh

### South Carolina

Record, Columbia  
Herald, Rock Hill  
Sun-Citizen, Spartanburg  
State, Columbia  
News & Courier, Charleston  
Item, Sumter

### Tennessee

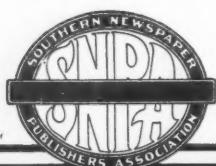
News, Chattanooga  
Sentinel, Knoxville  
Journal, Knoxville  
Banner, Nashville  
Democrat-Sun, Greenville  
Press, Memphis  
Commercial-Appeal, Memphis  
Leaf-Chronicle, Clarksville  
Herald, Columbia

### Virginia

Leader, Staunton  
News-Leader, Staunton  
News, Lynchburg  
Advance, Lynchburg  
Review, Clifton Forge  
News-Leader, Richmond  
Star, Winchester  
Daily Star, Fredericksburg  
News, Danville  
Bee, Danville  
Times, Roanoke  
World-News, Roanoke

### Virginia-Tennessee

Herald Courier, Bristol  
News, Bristol



# "Sell it South Through Newspapers"



# Are We Overselling the Advertising and Underselling the Product?

The buyer may know all about your advertising, but if his clerks know nothing of the merits of the product, it will gather dust on the shelves

*By Eugene Whitmore*

**L**AST fall a well known cosmetic manufacturer brought out a new cold cream of unusual and distinctive merit. It was not just another brand to clutter up dealers' shelves, but an old product with new qualities. Try-outs were scheduled in three cities not far on either side of the Mississippi river.

The advertising was liberal, and the salesmen were able to place the product in practically all of the best retail stores. Distribution was good, although no attempt was made to load up the dealers.

When the advertising appeared it created a flutter of interest. The demand was not instantaneous, nor was it overwhelming, by any means. But there were enough sales to encourage the manufacturer. Yet the advertising failed to move even the small initial stocks, and when the salesmen came around for re-orders, they got the cold shoulder.

## **Forgot to Sell Product**

Then an experienced investigator was sent to one of the towns. He spent several days talking with merchants. When he finally found the answer, it startled the sales managers, the advertising man, and the agency.

The investigator's report showed that none of the merchants knew anything about the cold cream. To them it was just something that was being widely advertised—something they had on hand to take care of the demand the advertising would create. In making his report, the investigator wrote:

"I find there have been no complaints about the product. It has apparently given satisfaction. None of the dealers seemed to have any grudge against the product,

the advertising or the company. The trouble, it seems to me, is that we have been out selling advertising instead of cold cream. Our salesmen have gone to great pains to show our advertising plans and material. In many cases I found the salesmen didn't even open up a jar of the cream, much less demonstrate it. Now we have a real story to tell. Without knowing the features of this cream, the merchant and the consumer look upon it as an ordinary cold cream with no special virtue whatever.

## **Dealer Must Know Goods**

"In three stores I pointed out our brand and said, 'How about this cream, is it any better than P——'s?' None of the clerks or dealers could say anything more than, 'Oh, it's a very good cream—it is being widely advertised.'

"I believe if we will send around a salesman to demonstrate this cream to every merchant and as many clerks as he can reach, that our sales will begin to show an immediate improvement."

The investigator had hit the nail on the head with his report. The salesmen had been oversold on advertising and undersold on the product itself. Naturally they passed along the information they had received and devoted most of their talk to advertising.

While no one in his right mind will decry the benefits of having the salesmen thoroughly in sympathy with advertising, it is a fact that an advertised product is no longer an exception. Advertising is no longer something to create a sensation in the dealer's mind. He hears so much about advertising that he takes it for granted in many cases. But he doesn't know too much about the products he

sells. Of course he doesn't need to know so much about hundreds of products that have an established trade. But what about the new product struggling for recognition? Isn't it absolutely necessary that the merchants and clerks know something of its merit and special features, if any?

When the investigator's suggestions were followed, the salesmen were instructed to demonstrate the product in every store, not only to the buyers, but to the sales people as well. Small sample packages were made up to be passed out to clerks in stores. A special effort was made to induce each clerk to try the samples and to use the cream personally.

It would be a good climax to the story to be able to add that sales jumped immediately. But that would be stretching the truth. However, the product is repeating in an encouraging manner. If it is given the proper sales and advertising support, it will doubtless find a place for itself. But the original plan laid too much emphasis on the advertising.

## **Much Burden on Advertising**

When I told this story to a well known advertising man who has had a hand in placing many new products on the market, he said:

"I am not surprised. I often have to pitch in and 'unsell' an entire organization on advertising. Salesmen, some sales managers and many officers of corporations who have been marketing goods for years, expect entirely too much of the advertising. This is especially true of new advertisers who start out with a small appropriation and hope to cover half the universe in a few months.

"The time has passed when the flashing of a beautiful portfolio of

advertising proofs will do anything more than aid salesmen to obtain initial distribution. There has been too much money spent in flashy portfolios to stampede the retailer, and too little money spent in giving him a real help in selling the product which is being advertised."

This advertising man went on to say that many firms are content to obtain initial distribution and leave the detail of following up the first sales in the hands of the jobber's men. He takes the stand that any campaign reaches a critical stage right after the first advertising barrage. At this time, he declares, a campaign will either fall dead, or begin to settle down to a steady sales-pace. If it is neglected at this point it will probably soon be chalked up as a failure when all that was needed was a little more work with the retailers.

#### Dealer Must Support Advertising

In discussing the matter of overselling the advertising, one sales manager recently said that he had reversed his campaign tactics. Formerly he insisted on a wide distribution, even though the individual order amounted to only a few packages of his product. Today he prefers to sell larger initial orders, even though the percentage of distribution is cut down.

"All of us know that in any town, in any retail trade, there are many stores that do not amount to very much. I think we have been directing about 75 per cent of our total sales efforts to the lining up of these small, unimportant stores. We have developed a sort of mania for distribution, forgetting that 20 per cent of the stores sell 80 per cent of our products. Now I am coaching my men to concentrate on the better class stores. If they know our product and can answer questions about it intelligently, I am not going to lose any sleep over the small stores. They will come in of their own accord."

This sales manager believes that it is next to useless to put the product in the average small store unless it is sold in a quantity large enough to permit the retailer to make a display of some kind. He cites the case of certain chain stores which do not put in any new product unless it is given

special display space in the windows or on counters. These stores know from experience that advertising alone is not going to send a horde of buyers into the store to ask for the product. But hundreds of buyers who see the advertising will try the product, as a result of the advertising, provided it is called to their attention when they are in the stores.

There are, of course, some retailers who will sell any product which bears a profit and which is in demand. On the other hand, there are many dealers who take a real and genuine interest in the quality of every product they sell. Then there are many retailers who make a hobby of pushing certain products. They take a great pride in a certain department. One druggist will build up a wonderful candy business. Certain grocers will specialize in coffee sales, or make a hobby of the canned goods department. When one of these dealers gets behind your product, it is going to sell, and there are enough of these dealers to be a big help in putting over a new brand.

But they cannot be reached when the salesmen are instructed to hurry over the territory, spill a little jargon about a big advertising campaign, get any sort of a small introductory order and trust to luck that the product sells.

The sales manager of a big food product packer, in telling how his

salesmen are instructed to talk about advertising, says, "We do not make a big hullabaloo about our advertising. If our products are not selling in a store, that's all the dealer can think about. What difference does it make to him if a million and a half dollars are being spent in advertising if our products are going stale on his shelves? It only serves to make him doubtful of advertising's power if we continually talk about it. But if our men will hold demonstrations in his stores, work with his clerks, and really sell the product to them so they can in turn sell it to the consumers, I don't care if they never say very much about advertising. I don't mean that I am not a firm believer in advertising. But if the dealer can't see and feel the benefit of our advertising, our salesmen can't talk him into believing it is so wonderful.

"Of course, when we start a new campaign we tell the dealers about it. But we do it in a friendly sort of way, trying to get over the idea that we are letting them in on some family affair, rather than trying to make them believe that they will have to put on a couple of extra clerks to take care of 'the enormous demand which this gigantic campaign will surely create'. If advertising did everything some concerns claim for it, there would be no need of salesmen."

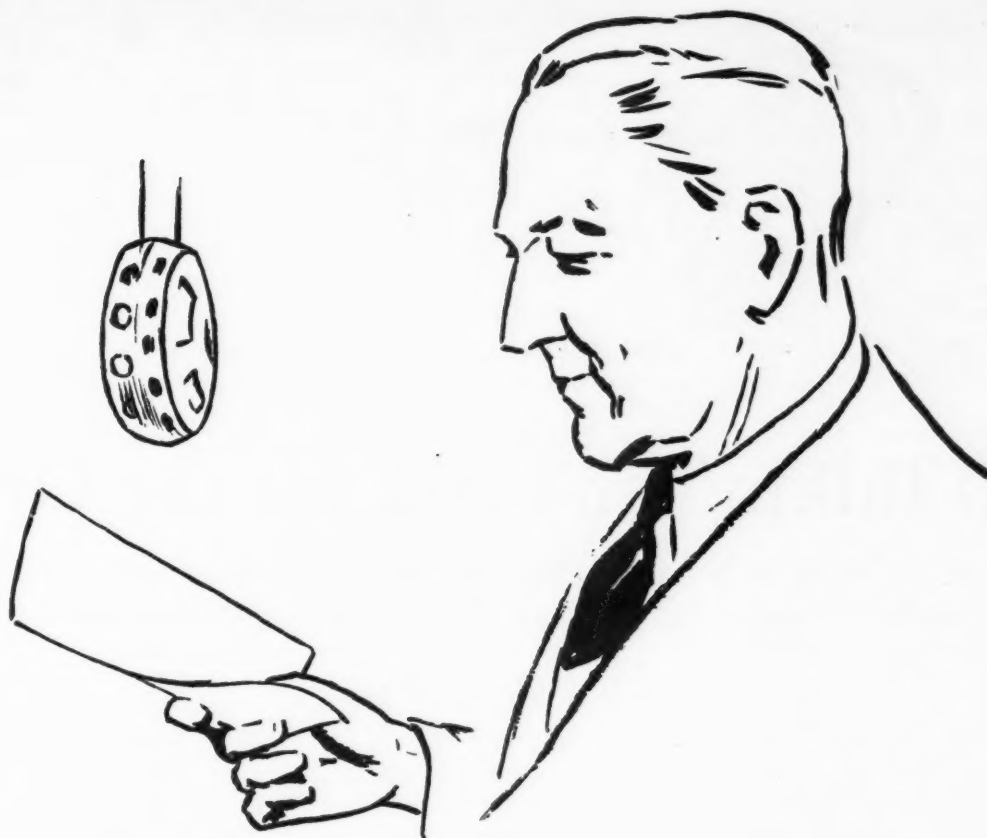
## "Fruit of the Loom" Trade Mark Granted Protection by Court

Another trade mark decision of interest to sales executives is the recent permanent injunction granted on behalf of B. B. & R. Knight, Inc., and its licensee, the L. Needles-Brooker Company, against Martin & Naylor, Inc., of Gloversville, New York. The decision gives a broad protection to the Knight Company as owners of "Fruit of the Loom" trade mark.

It was charged that Martin & Naylor offered for sale shirts other than those made by the licensee of the owner of the trade mark, and advertised them as "Fruit of the Loom" shirts. The shirts offered were in fact manufactured from

genuine "Fruit of the Loom" fabric, but they did not bear the genuine "Fruit of the Loom" label, nor were they as high a quality of shirt as is manufactured by the L. Needles-Brooker Company.

The court held that the defendant had infringed exclusive rights and had been guilty of unfair competition. The defendant was enjoined from selling any but genuine "Fruit of the Loom" shirts under that trade-mark. In the case of shirts made from the genuine fabric, they were to be labeled with a statement that they were not manufactured by the Knight Company, or guaranteed by them.



## Mailing the human voice to your customers

**I**f it were possible, you would like to *speak* to every customer and prospect—but too often you must write instead. Miniature unbreakable phonograph records will carry the spoken message through the mail—and get a hearing.

This new direct-by-mail method of talking to distant customers is bringing increasing returns to many concerns in various fields.

Sales talks—announcements of new policies or products—“pep” talks to the sales force—any important message can be recorded in permanent spoken form for customers, prospects and mem-



Light, flexible and unbreakable, this record can be mailed on a penny postcard or in a sealed envelope for two cents.

bers of your organization.

The human voice, faithfully reproduced, carries conviction where a printed message often leaves the reader cold. Low in price, these records are one of the cheapest ways of selling by mail, while their pulling power is so great as to make them the most effective.

*Just attach your letterhead to this coupon and send for sample records*

*and full information.*

ADVERTISING RECORD CORPORATION,  
Cliffside, New Jersey

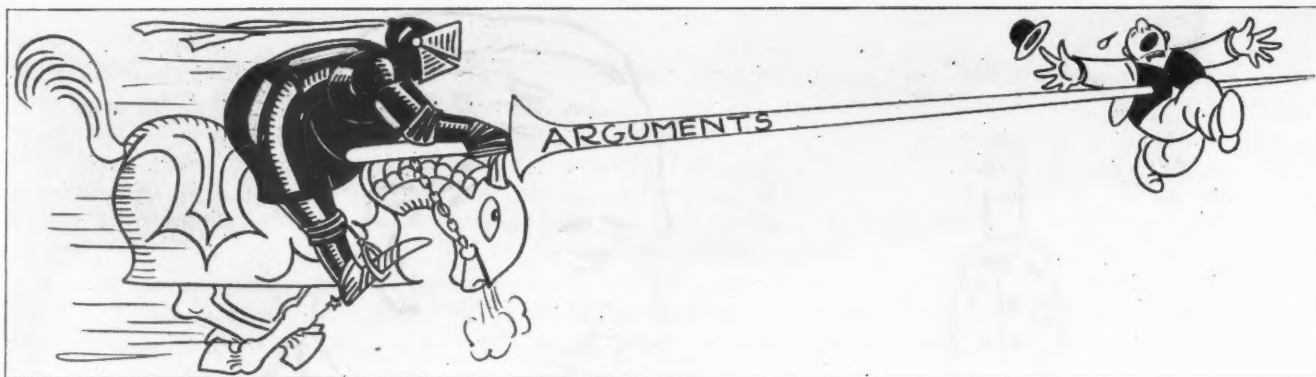
Gentlemen:

Please send me samples and descriptive literature of your Advertising Records.

Name \_\_\_\_\_

Address \_\_\_\_\_





## “Stop Talking and Ask for the Order”

A Sales Manager's Suggestions for Muzzling Salesmen Whose Overdeveloped Gift of Gab Stifles Many Good Orders

*By Royal Mede*

THERE is a certain salesman, long with one of the largest manufacturing hardware houses in the country, who was never known to speak a word while soliciting business—or at any other time. Actually, he is dumb, and has been since birth. But, significantly enough, this has proved itself to be not a handicap but the most effective asset imaginable.

Nor has he made his record because of the pity his customers and prospects feel for him. His sales manager assures us that he gets along splendidly and is exceedingly popular. “I attribute it,” he states, “to the relief people feel at not being talked to death. There is nothing with greater potential possibilities of aggravation than a salesman with a voluble, unleashed tongue.

“We are criticised, on the other side, for having a too great gift for gab. We do not know when to stop. We over-talk our own propositions; we over-describe, over-elaborate. I have lectured my force of fifty men, time and time again, on this subject, but I am not prepared to say that any tremendous good has come of it. Give any one of them the slightest

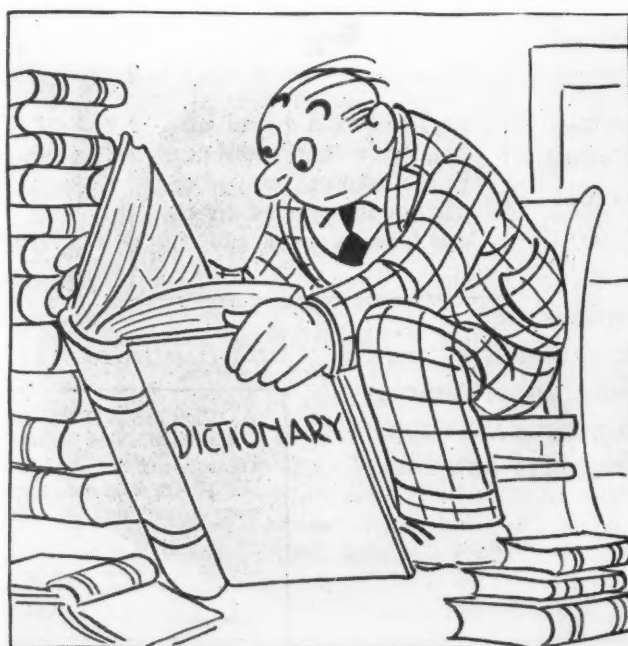
encouragement and he will serve you a fifteen-course dinner of words. The fine art of saying just so much and closing one's trap might well increase a salesman's showing thirty per cent.

“I know from my personal experience. The moment a business caller runs on and on, like the poet's brook, gushing and gurgling, endlessly, I want to shut him up and shut him out. And this fault generally results from a sort of sublime respect for your own ability as a professional linguist. I have seen salesmen roll every word around their tongues, moistening them, as if they were so

many candied almonds. They delight in the sound of their own voices, these human dictionaries. They become conscious of their own elasticity of speech.”

There must be something in this, because, over a period of less than six months, a dozen or more executives, when interviewed on the subject of salesmen, all said approximately the same thing when they got around to it; namely, that the tendency is for the salesman of this generation to “talk too much.”

It would not be quite fair to give his last name, but a certain “Jaw” Jimmy, so nicknamed by his comrades on the road, prided himself on his intimate relationship with long, complex and little-used words. But then, why not? He made a study of them. They were his pet hobby. If a word didn't have more than six or seven syllables, he looked upon it as too plebian for any use. A two-syllable word rarely escaped his lips. He always reckoned that uneducated chaps could use the short words. It was a mark of learning and of educational aristocracy to spill out tongue-twisters that nobody else could understand. Jimmy spent much of his spare time in





likely to present his card in approximately eleven minutes. What are your orders, General?"

"Present my compliments to Corporal Smith," 'phones back the Chief, "that if the human gas bag gets in to me, I'll fire you all."

Turning to his secretary and several office assistants, he continues: "Pile all available furniture against the door, and grab the inkwell grenades. It will probably be a fight to the death. The last time that salesman visited me, he started talking at nine thirty, of a fair morning, and never stopped until a quarter to three in the afternoon. I haven't fully recovered yet. Give him no quarter."

### **An Effective Muzzle**

A manufacturer of jewelry, operating out of New York and Buffalo, recently issued an edict to his numerous salesmen, which, having a somewhat humorous side, is not without virtue. Salesmen have been coached in how to talk and how much. The sales manager has it down to a science. A visit to a prospect should not bulk more than so many hundred words, at the outside. If there is talking to do, for heaven's sake allow the other man to do it, or at least have his share.

Some of the rules of the aforementioned edict are an odd and effective blend of common sense and blatant irony:

1. Describe your goods, but do not over-describe them. Economy of talk is as essential as economy in the matter of extravagances of description.

2. Always keep in mind that the other man may not be as interested in your talk as you are yourself.

3. A good plan to follow, if your tendency is to talk too much, is to talk only when you really have something to say which will further your sale.

4. A good listener can accomplish almost twice as much with the average prospect, as a good talker.

5. Never attempt to "put on lugs" verbally. The book that has made more "sales" than any other, in all the history of man, uses simple language. Pattern your economy of speech from the Bible.

6. A man's time is often precious to him. Time is always money, and if you will look upon these customer-minutes as costing so much per, you will do only enough talking to get your order.

7. There is one sure way of knowing when you are talking uselessly and wastefully—when you are not talking business, is the answer.

8. Make it a point to always allow the other man to speak when he looks as if he wanted to.

9. Better, by far, to talk too little than to talk too much. A salesman never made a bad friend by the former, but he can make an everlasting enemy by the latter.

10. The very moment you begin to tackle your own vanity by things you are saying, it is a safe bet that you are talking for effect and not for business. So stop.

No business establishment is to be looked upon as the United States Senate, Congress or House of Representatives. In any of the above standardized gab-places, talk is the whole stock in trade, whether it means anything or not. If you doubt this, visit the plant where official documents, speeches, and the Congressional Record are printed. No wonder our forests are disappearing. Any single session must consume an entire reservation of wood-pulp. But the salesman actually confers a favor upon his customer by making his talk and his stay as brief as possible.

In the matter of describing or lauding merchandise, there is a very positive line across which the tongue should never go.

### **A Bitter Lesson**

It is told of a young salesman, just starting out, that he visited one of the best known business executives in Pittsburgh on a mission of selling. So enthusiastic was he that he rambled on and on for over an hour. The executive kept both his temper and his poise. He did not scowl, he did not laugh. He had a sense of humor which even that avalanche of talk could not batter down.

When the youngster had chinned himself weakly hoarse, the other remarked: "Would you mind repeating that to a group of men in the main office?" And the young man was flattered. He agreed to do as much. The executive called a dozen men into a committee room and gave his visitor the floor. There was much shuffling of feet, and many yawns. And when this seance was over, the executive said: "And now, if you don't mind, I want the members of the accounting department to hear that."

Rather weakly, the salesman encountered another room-full of men, whereupon the unsmiling executive suggested that the sales

force of the concern would profit by getting an earfull. But the young salesman had given out of steam. "My throat hurts, I can't do it," he admitted.

And suddenly it came to him that he had been hoaxed. This was a trap into which he had fallen. The high executive was giving him a lesson in the perils of too much gab.

If an accounting could be made of the prospects who have been talked into a state of desperate exhaustion by salesmen with a deadly and whipporwill-like facility for crowding words into seconds, the list would prove valuable. Nine out of ten men would rather talk than be talked to. The minority, therefore, should be on the side of those who sell.

### **A Stinging Rebuke**

We recall the episode of the salesman from New York who was sent down to discuss terms and merchandise with an important body of men of Miami, Florida. The salesman made the terrible mistake of assuming, in the first place, that because his clients were away down South they were boobs.

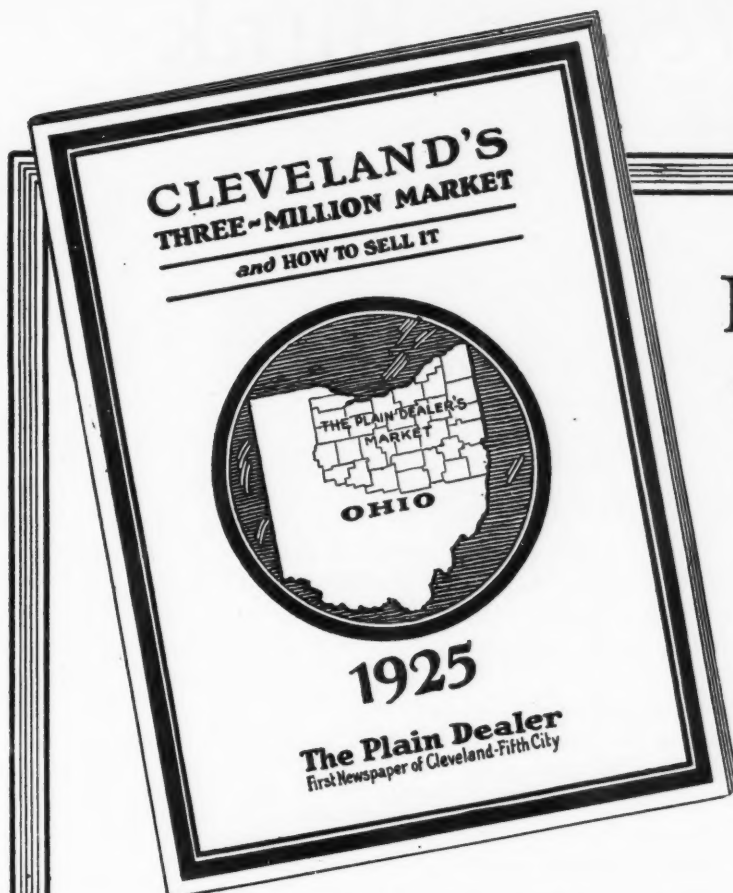
There were nine of them, young and old, and they met in an office in a local business building. The salesman assumed the directorial High Chief from the ring of the bell. He talked, then he talked some more. And every time anybody else would desperately edge in a word, he would promptly shut them off, with another skein of chatter of his own. The air was alive with "as-I-was-about-to-says," as nine hopping mad men realized that this monstrous egotist thought his own words more important than anybody else's in the universe.

He was handed the most emphatic rebuke we have ever heard.

One of the executives interrupted the salesman long enough to explain that they must absent themselves for a little while on another matter, and would he please wait. A few minutes later, a girl entered with a dictograph machine. She handed a note to the salesman. It read:

"Talk into this. We haven't the time to listen to you." Needless to say, the salesman returned to New York empty-handed.





## Here's a Book full of Facts about a Great Market

Northern Ohio—three million prosperous people—nearly \$900,000,000 annual payroll. The wants, the habits, the Buying Power of this thrifty group—all the facts and figures you should have are presented in this comprehensive volume.

### *This coupon*

properly signed and returned with a note on your own business stationery to the Cleveland Plain Dealer will bring a copy of "Cleveland's Three Million Market" to your desk.

Date.....  
THE CLEVELAND PLAIN DEALER,  
Cleveland, Ohio.  
National Advertising Dept.  
We are interested in Cleveland's Three Million Market. Send us a copy of your book with all the facts and figures.  
Name.....  
Address.....  
Business..... Individual.....  
and Title.....

## *The* Cleveland Plain Dealer

in Cleveland and Northern Ohio—ONE Medium ALONE—One Cost Will sell it

J. B. WOODWARD  
110 East 42nd Street  
New York

WOODWARD & KELLY  
350 North Michigan Ave., Chicago  
Fine Arts Building, Detroit

R. J. BIDWELL CO.  
Times Building  
Los Angeles, Cal.

742 Market Street  
San Francisco  
California

# Adventures in Bunk

## A Reader Sends Some Classic Examples of Exaggeration Culled From One Day's Mail

THERE were dark days, months of them, during the last two or three years, when those of us who had enrolled as charter members in The Society For The Elimination Of Bunk In Business seemed to be licked. "Yes," the bunk-boys would answer us, "we'll admit we're naughty and all that, but bunk pays. Talk that down if you can."

We couldn't. Bunk was paying. The more extravagant and absurd the claims were, the better things sold.

But now we are having the last laugh. Bunk is ceasing to pay—as well as it did. The American public is beginning to show signs of acting like your neighbors and my neighbors act instead of with the intelligence of a ten year old.

### Sales Skid on Superlatives

Here are two stories that show the revolution which has taken place in buying habits. I'm not mentioning names, but I know the facts. The A. B. C. Company had a million and a half dollar business in 1923, selling "something every woman needs." The advertising copy and the direct mail literature used all the superlatives in Webster's and added many words and phrases from the French. Bunk paid.

But last year, even though they had a greatly increased advertising and promotion schedule, sales fell off two-thirds. It wasn't a one-time article, either. If the article had been sold sanely and honestly, every woman purchaser might have made repeat purchases at least twice during the year.

The other commodity is (perhaps by the time this appears in print the past tense would be correct)—this other commodity is or was a toilet preparation, one of those that wins new friends for those who use it, besides making it unnecessary ever to call in the doctor, dentist, face surgeon or

masseur. It was the great scientific discovery of the ages, developed in their laboratories after years of unremitting toil by patient, unselfish, social-minded chemists. For a short time only, just to introduce it to millions of new friends, you know, it was being sold for a quarter, after which it would revert back to its regular price of four bits. Users said, in bona fide signed testimonials, that they wouldn't take a thousand dollars for their jar if they couldn't get another one.

Eighteen months ago the company making this beneficent preparation was taking in fifty thousand dollars a week; six months ago, twenty thousand; today, less than three. And moreover, some of us aren't shedding any noticeable tears over the fact that the company took all of the profits they made the first year, plus a lot of new capital, and sunk the money in further expansion last year.

### "Applesauce" for the Prospect

While a careful survey of magazines and newspapers shows a decided calming-down, with the word "good" used more frequently than "best," our exclusive little circle of some ten million souls who happen to be listed in telephone directories, is still talked to by some direct mail advertisers as if we were congenital idiots.

One came in the morning's mail. I am one of a limited circle of fortunate ones who will be allowed to buy a certain set of books for \$6.98. This flattered me, of course, and I was just wondering how they were able to learn, in a city of six million souls, that I was such a fine guy, intellectually inclined, and all that, when I noticed a now-familiar envelope sticking out of the mail boxes belonging to every other apartment in the building. Is it possible that the writer of the letter was trying to kid me?

Now I may be crazy in thinking that as a general rule under-statement is more effective in selling than over-statement. Perhaps I do lack the unquestionable simple faith that seems to be necessary if one is to accept the generous offer made by the book man. Perhaps you can answer the question for me after reading the following extracts copied from this publisher's type-printed letter and 10,000 word prospectus. Think over the people you know in all walks of life—are they sappy enough to believe this?

When 50,000 sets of these great books are sold at \$6.98 per set, our contract requires us to begin paying editors and authors their royalties—then the price of these identical sets of books will advance to our regular retail price. We are not certain what that price will be. We originally intended to sell this set for \$50.00.

### The "Ultimate" in Direct Mail

All the editors and authors I know would never wait until fifty thousand sets were sold before getting anything for themselves. And isn't there something contradictory between "will advance to our regular retail price" and "we are not certain what that price will be"? Proceeding:

We have allotted a few sets to each community in the United States, solely for advertising purposes, (and these introductory sets will be snapped up within a few days.)

Thank God I live in the right community!

If for any reason you are not enthusiastic over the offer we are making you, please destroy the enclosed coupon.

Enthusiasm is not the word that best describes my emotions.

These books are a mark of culture in any home. No piece of furniture could add a more beautiful and lasting artistic touch to a room.

Goodbye, Grand Rapids! Tra-la-la antique dealers! Now, turning to the prospectus, we learn that:

Never in the history of publishing has such a thorough course of study been compiled. The greatest minds of all time talk

Another Pathéscope Business Film is described here



## "THE HERITAGE OF JUPITER" and how it came to be a PATHÉSCOPE production

L. AMES BROWN  
VP. Sales President

THOMAS F. LOGAN  
INCORPORATED  
Advertising  
280 FIFTH AVENUE.....NEW YORK CITY

January 19, 1924.

C. F. Ivins, Esq., Manager,  
The Pathéscope Company,  
35 West 42nd Street,  
New York, N.Y.

Dear Mr. Ivins:

I would appreciate it if you would submit a list of clients for whom you have produced pictures having either a sales or institutional appeal.

I would also like to have several references---a dozen at least---among your clients whom I may consult for information regarding the character of your work for them. We are looking into this sort of service with a view of advising several of our clients who may wish to produce films in 1924.

Yours sincerely,  
L. Ames Brown

The Radio Corporation of America recognized the value of Industrial Motion Pictures as a selling force. The problem was, "What organization is best qualified by experience, ability and stability to produce our films?" Naturally, RCA instructed its advertising counsel to get the facts.

RADIO CORPORATION  
OF AMERICA  
330 BROADWAY  
NEW YORK

PRODUCTION MANAGER

ADVERTISING & PUBLICITY DEPARTMENT

April 17, 1924.

Mr. C. F. Ivins,  
The Pathéscope Co.,  
New York, N.Y.

Dear Mr. Ivins:

After an extensive survey of the industrial moving picture field which has taken the best part of two months, it gives me great pleasure to inform you that the Radio Corporation of America has chosen Pathéscope as the organization best qualified at this time to produce three RCA moving pictures, the first featuring the Trans-oceanic Radiogram Service of the RCA; the second featuring the Marine Radio Service of the RCA and the third featuring the RCA Broadcasting Activities.

As part of a thorough investigation the advertising agency made of the industrial motion picture field, we were asked to submit the evidence of our ability, and the names of at least twelve of our clients whom the agency could consult.

Just three months later this verdict was rendered; the Pathéscope Company was chosen "as the organization best qualified." Our clients are won, not on sentiment, personal prestige, or good-fellowship, but on our sheer ability to produce films of salesmanlike qualities.

### Some of the other notable clients we have served

#### ENGINEERING AND MECHANICAL

Alpha Portland Cement Company  
American Brass Company  
A. M. Byers Company  
General Electric Company  
Linde Air Products Company  
Lock Joint Pipe Company  
Mosler Safe Company  
National Slate Association  
National Tube Company  
Okonite Company  
Otis Elevator Company  
Plymouth Cordage Company  
Reading Iron Company

Robins Conveying Belt Company  
John A. Roebling Company  
Chas. A. Schieren Company  
Tide Water Oil Sales Corporation  
U. S. Cast Iron Pipe & Fdry. Co.  
Westinghouse Lamp Company

#### FOOD PRODUCTS

Franklin Baker Company (Coconut)  
E. F. Drew & Company (Spredit)  
Frontenac Breweries, Ltd., Canada  
Hills Bros. (Dromedary Dates)  
C. F. Mueller Company (Macaroni)  
Seaboard Rice Milling Co. (Comet Rice)

#### PUBLIC UTILITIES, TRANSPORTATION AND COMMUNICATIONS

American Gas & Electric Company  
Atlantic City Electric Company  
Commercial Cable Company  
International Mercantile Marine  
Ohio Power Company  
Postal Telegraph Company  
Radio Corporation of America  
United Light & Power Company  
Chattanooga Gas Company

#### TEXTILES

Bigelow-Hartford Carpet Company

Boston Woven Hose & Rubber Co.  
The Standard Textile Products Co.  
U. S. Finishing Company

#### MISCELLANEOUS

Brooklyn Commercial Body Co.  
Colgate & Company  
Foamite-Childs Corporation  
Kirkman & Sons  
McGraw-Hill Company  
Owens Bottle Company  
Charity, College and Community activities

We invite an opportunity to show, either at your office or the Pathéscope Salon, what we have done for others in your industry, and what we can do for you

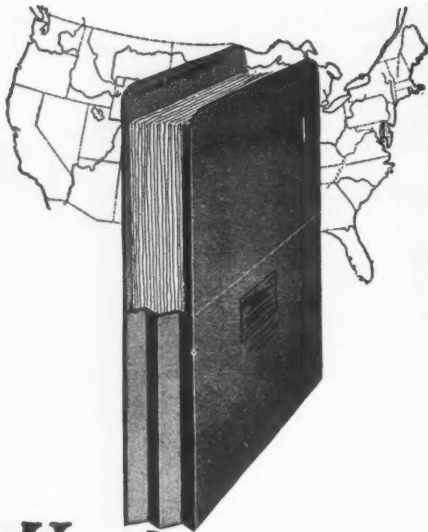
INDUSTRIAL FILM DIVISION

The Pathéscope Company of America, Inc.

Suite 1824, Aeolian Building, 35 West 42nd Street, New York







## Used Everywhere

Vertex File Pockets can be used in all vertical filing systems, from the personal desk-drawer file to the system using countless batteries of filing cabinets.

Wherever used they speed up filing and finding, eliminating many of the delays and inconveniences caused by old style flat manila folders.

## Vertex VERTICAL-EXPANDING FILE POCKETS

have index tabs that are plainly visible under the most crowded conditions. They always stand upright in the filing cabinet and will efficiently hold three, thirty or three hundred letters. Made of "Paperoid," a tough, red-rope stock, they will outlast twenty ordinary flat manila folders.

Give VERTEX Pockets a trial in your own files. It costs you nothing; just mail the coupon below for a FREE trial pocket

**Alvah Bushnell Co., Dept. E**  
Durable Filing Containers  
925 Filbert Street, Philadelphia, Pa.

### CUT HERE

Please send for examination and trial a free sample of Bushnell's "VERTEX" Paperoid File Pocket, as described in May 2nd SALES MANAGEMENT.

Name of Firm \_\_\_\_\_

Address \_\_\_\_\_

Name of Person Inquiring \_\_\_\_\_

Letter size or Legal size desired? \_\_\_\_\_

If special size is required, send sample of sheet to be filed, and give width and height of drawer

To ALVAH BUSHNELL CO., Dept. E  
925 Filbert Street Philadelphia, Pa.

to you in every day, understandable language. They tell us the most gripping story ever written. A story so full of romance and thrills that it captivates the duller imaginations.

That's not so bad. It might almost be true. But hark ye:

It is impossible, in these short paragraphs, to give you a glimpse of these great books. They contain the essence of a college education plus all the intimate sides of life which the greatest universities in the world do not give you.

Strordinary, ain't it? It will be interesting reading to hundreds of thousands of fond papas who are each spending a thousand dollars or more a year to educate their offspring.

We guarantee that there has never before been published in America—perhaps we could safely say in the entire world—a library of books that would approach the quality and price which we are offering. . . . Our offer is an epoch making event in American book publishing. . . .

Can any person living today afford to miss reading an accurate account of this great struggle?

What's the use of going further? I might reproduce the order blank, which is smeared over with "this coupon saves you 80 per cent," but you have the general idea without it. I once heard Charley Wiers tell how he tried out the letters for which he is justly famous. If the mailing is to go out to average people he takes his draft of the letter and circular and hunts up a fireman or a mail carrier or a housewife who does her own washing—and he gets that person to listen to the piece as he reads it slowly and distinctly—with no attempt to color it through the reading. If it sounds convincing to people of that type it's good enough for a mail tryout on a cross-section of the mailing list. If it pulls well—then it goes out to the complete list.

## Motor Trucks as Traveling Billboards

REID-MURDOCH & CO., wholesale grocers of Chicago, are using the sides of their trucks for advertising purposes. A number of posters which just fit the side of the big delivery trucks have been lithographed. These posters are replicas of the twenty-four sheet posters which the company uses on the poster boards.

Standing in front of a store, the big trucks with the highly colored posters cannot fail to attract a lot of attention, and are equal to a regular billboard placed on the side of the store. Traveling in the streets, the trucks with their posters have an enormous circulation.

The Williamson Candy Company of Chicago also appreciate the advertising value of their trucks. Some of them are lettered with huge signs bearing only the words, "Oh Henry!" James S. Kirk & Company use the sides of their trucks for a veritable painted bulletin to advertise American Family Soap.

Many of the big delivery trucks used by manufacturers and jobbers are almost as large as moving vans and the sides of these trucks afford

a real opportunity to advertising. The newspapers in many cities have long recognized the advertising value of the sides of their delivery trucks, and many of them have been equipped with miniature poster boards. The posters on these trucks are changed weekly. The circulation department usually is given the benefit of this advertising, some feature, or special story, being advertised. The American Express Company looks upon this form of advertising as one of the most valuable employed by the company.

It is said that the American Express Company started using the sides of their trucks as a result of one of the big drives for money during the war. One of the money hunting organizations was given permission to place their posters on the sides of the express company's trucks. After the drive was over an advertising organization offered to rent the space on a royalty basis. But the company decided that if it was good enough advertising for others that they could well employ it to advertise themselves.



# Color

It's not  
"how many  
colors" but  
"how they  
are used"  
that counts

THE UNITED STATES PRINTING & LITHOGRAPH CO.  
CINCINNATI      BROOKLYN      BALTIMORE  
BRANCH OFFICES IN PRINCIPAL CITIES

THE most brilliantly colored package is not always the one that possesses the greatest "eye appeal." One less vividly tinted, but in which colors are artistically manipulated and placed to create the harmony of contrast, usually produces the more favorable impression.

Many of the largest selling products in America are clothed in fine color packages designed and executed by The United States Printing and Lithograph Company. The three great plants at Cincinnati, Brooklyn and Baltimore are equipped with every modern mechanical facility and are in charge of men who have devoted lifetimes to the production of the finest lithographed color printing.

Anything that calls for color printing is done economically and well by Color Printing Headquarters. Folding packages and containers, labels, posters, window and counter cards, streamers, cut-outs, booklets and calendars are representative of the variety of color work done at our various plants. Our Trade-mark Bureau at Cincinnati—the only one of its kind—creates trade-marks and trade-names and is equipped to assist in any trade-mark problem. 805,600 trade-names are now on file ready for instant reference.

We invite inquiries regarding color printing of any kind. Our representatives are always ready to call at your request.

THE UNITED STATES PRINTING AND LITHOGRAPH CO.

*Color Printing Headquarters*

CINCINNATI  
15 Beech Street

BROOKLYN  
95 North 3rd Street

BALTIMORE  
25 Covington Street

*Offices in Principal Cities*



# Useless Stuff in Letters

By Charles R. Wiers

Assistant Vice President, National Shawmut Bank, Boston, Massachusetts

*The conclusion to an article in the April 18 issue*

I CAN appreciate how easy it is to give expression to the absurd and complicated. No doubt most of the trouble along this line would be overcome if we could all satisfy ourselves that a letter is a talk and not a Fourth of July oration or a declamation for a prize. Moreover, you should remember that ordinarily you do not talk through your letters to an exclusive or cultured crowd. Most of your letter talks are made to mixed crowds who address you in the simplest kind of terms and who naturally expect and deserve an answer they can readily understand. Keep this thought before you, and if you want even a better guide I recommend to you Lincoln's idea of clearness.

"I never went to school more than six months in my life, but I can say this: that among my earliest recollections I remember how, when a mere child, I used to get irritated when anybody talked to me in a way I could not understand. I do not think I ever got angry at anything else in my life; but that always disturbed my temper, and has ever since. I can remember going to my bedroom, after hearing the neighbors talk of an evening with my father, and spending no small part of the night walking up and down and trying to make out what was the exact meaning of some of their, to me, dark sayings.

"I could not sleep, although I tried to, when I got on such a hunt for an idea until I had caught it; and when I thought I had got it, I was not satisfied until I had repeated it over and over; until I had put it in language plain enough, as I thought, for any boy I knew to comprehend. This was a kind of passion with me, and it has stuck by me; I am never easy now when I am handling a thought, till I have bounded it north and bounded it south, and bounded it east and bounded it west."

You have not filled out your order blank correctly. Please note space 2 is to be signed, etc.

This advice criticizes and instructs. It would have been far better had the first part been omitted entirely. All a customer wants is to be reminded in the most courteous way possible of your needs. He will usually cooperate if he knows just what you want.

It is important to be sure and examine the Order Blank before sending it.

It is important that you examine each order before you mail it.

Your address has been changed upon our records.

Your address has been changed.

We will send it to you for a remittance of 75c.

We will send it to you for 75c.

Please tell us just what you think, in your estimation, is necessary.

Please tell us just what you believe is necessary.

As soon as it is received we will give your account proper credit for its return.

As soon as it is received we will give your account proper credit.

We shall be glad to carefully refigure the charges.

We shall be glad to refigure the charges.

When answering this letter please write the answer on the reverse side of our letter.

You may write your answer on the other side of this sheet.

If you will give the necessary information we will send the Ring and increase your charge accordingly.

If you will give the necessary information we will send the Ring and charge your account with \$2.00 more. This illustration will serve to illustrate that a charge or anything else against a customer should always be explicit.

We hope you will overlook the delay you have been obliged to experience.

Why is it that the repeated advice about using simple words and expressions does not take? If the plain and simple is what

customers want, and you know it is, you should make it a point to use it every day in every letter.

Advise us if the goods are not received within ten days and we will give the matter our further attention.

A weak and indefinite promise like this is of no help. A customer who has been put to some inconvenience wants to know upon what he can depend. It's your job to give him such information.

The part returned has been mislaid in our Receiving Department.

Who cares about your Departments? When you say that an article has not been received or something else has happened you have said enough.

We appreciate your kindness in arranging to accept the shipment.

We appreciate your kindness in accepting the shipment.

Any inconvenience either you or your customers were occasioned owing to the unintentional oversight is regretted.

Any inconvenience you or your customers were caused is very much regretted.

Sign your full personal signature.

Sign your full name.

It should be in your possession by the time you receive this letter.

You should have it by the time you receive this letter.

Since we cannot send the Music Bag we are returning the 16c in stamps which you enclosed in your Jan. 25th letter and enclosed is that amount in stamps.

Since we cannot send the Music Bag we are enclosing the 16c in stamps you sent with your letter of January 25.

Up to the present time we have not as yet received any information.

Up to the present we have not received any information.

We trust that the quality, style and appearance of the Coat when received will recompense you for the delay you experienced in receiving it.

We believe the quality of the Coat will compensate you for the delay in receiving it.

**T**HIS organization is now locating profitable markets and developing selling plans for the following manufacturers:

**Angier Corporation**

Paper Products

**Humphreys'  
Homeo Medicine Co.**

Family Remedies  
Veterinary Remedies

**Keystone Watch Case Co.**

Howard Watches  
Standard Watches  
Keystone Watch Cases

**La Resists Corset Co.**

Corsets

**Wm. A. Rogers, Ltd.**

Rogers 1881 Silverware  
Heirloom Plate

**S. S. Stafford, Inc.**

Ink  
Auto Products

We are now in a position to serve one more non-competing client and will gladly arrange an interview if held within 500 miles of New York.

**JOSEPH EWING**

36 West 44th Street  
NEW YORK CITY

*National Market Surveys  
Distribution Plans  
Field Sales Control  
Internal Sales Control  
Merchandising Counsel*

We advertise to furnish only boys' and girls' stockings.

We sell only boys' and girls' stockings.

No doubt this is clear to you.

This expression might leave the impression that you are smitten on yourself or that you are not quite sure of a statement after making it.

Claim has been entered against Railroad Company and a new glass for the door will be sent charges prepaid.

A new glass for the door will be sent at once, charges prepaid. There is no point in telling customer that you have entered claim. The adjustment of the damage and not the routine is always of the most concern to a customer.

Your change of address has been noted on our records.

Your change of address has been noted.

Our records have now been corrected and we are closing this transaction on our books.

Our records have been corrected and transaction closed.

It has been cancelled on our books.

It has been cancelled.

If you will please consult our Fall Catalog you will observe that we offer this garment for \$20.

When directing a customer's attention to a Catalog offer, be sure to tell him the page on which it appears. If you refer him to a paragraph or any of the introductory pages, give their numbers. Don't ever use an expression like, "If you will please consult," as it leaves an intimation that customer does not read your printed matter. Compliment him by saying, "If you will again refer to our offer, etc."

As you were obliged to pay 50c to have the Rifle repaired we are enclosing a Draft for that amount to reimburse you.

To reimburse you for having the Rifle repaired we enclose a Draft for 50c.

If on receipt of the shipment you are obliged to pay any extra freight charges send us the bill showing the amount of charges paid and we will reimburse you for any extra freight charges you were obliged to pay on account of the two shipments.

If you are obliged to pay any extra freight charges, send us the freight bills and we will reimburse you.

The error has been rectified on our books.

The error has been rectified.

Kindly remember never to return goods again without first writing us as we want to give our customers instructions for the return, so that delay and confusion may be avoided.

Please do not return any goods without first writing us, as by so doing you will help us to adjust everything quicker and to better advantage.

We are sorry for the mistake made in filling your order. We thank you for bringing the matter to our attention—and pardon us for the inconvenience caused.

We are very sorry for the mistake made in filling your order and thank you for bringing it to our attention.

We thank you for attracting our attention to the mistake in filling your order.

Please take this matter up with the agent at once and have the agent indicate this damage on the bill and mail it to us so that we may take the matter up with the railroad company.

Please take this matter up with the agent at once and have him indicate the damage on the bill, then mail it to us.

If they are not on hand already, we feel sure they will be by the time this letter reaches you so you need not worry but you will receive them before Friday, unless the conditions of the railroad company and the shortage of cars at the present time delay the shipment.

We feel sure they will be on hand by Friday, unless delayed by unusual railroad conditions.

If, however, it costs more than 75c to have the Bench put in first-class condition, do not have any work done but let us know what the charges will be and we will let you know what charges can be made.

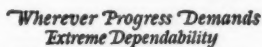
If it costs more than 75c to have the Bench put in first-class condition, do not have the work done but let us know what the charges will be.

A copy of our latest catalog is being mailed under separate cover as you requested.

A copy of our latest catalog is being mailed as requested.

The freight agent of your city has advised that the extra Rug is in his possession on hand unclaimed by you. If this is the Rug, kindly advise the freight agent that you have received the first Rug that was shipped and he will receive disposal orders for the Rug he has on hand from his freight claim agent.

The freight agent in your city has advised us that the extra Rug is on hand unclaimed. Please tell him that you have received the first Rug and that he will receive disposal orders for the other Rug from his freight claim agent.



In the 1970s, research showed that the Standardized Achievement Test (SAT) scores were the strongest predictor of college success. In the 1980s, SAT scores were used to predict success in the workplace. In the 1990s, SAT scores were used to predict success in the workplace. In the 2000s, SAT scores were used to predict success in the workplace. In the 2010s, SAT scores were used to predict success in the workplace. In the 2020s, SAT scores were used to predict success in the workplace.

**THE PARTNER ASSOCIATES LONG-TERM CONTRACT**

# Delco

*Advertising  
Well  
Directed*



**D**ELCO leadership has been maintained consistently under the most extreme tests on land—in the air—on the sea—and in the less spectacular but even more important service of millions of Delco-equipped motor cars.

The splendid reputation that Delco has established and maintained has been built up through the assistance of "Advertising Well Directed." Delco has been a client of the Campbell-Ewald Company for over eight years.

H. T. Ewald, *Pres.*    E. St. Elmo Lewis, *Vice-Pres.*    Guy C. Brown, *Vice-Pres. and Sec'y*    J. Fred Woodruff, *Treas. and Gen. Mgr.*

## Advertising Well Directed

*General Offices:* DETROIT MICHIGAN

San Francisco





**A** GOOD line of samples is the shortest way to a sale.

Salesmen's samples cost money—insure them. North America Commercial Travelers' Insurance covers the samples of an individual salesman or an entire force.

Ask your Insurance Agent or mail the attached coupon for further information about this low-cost protection.

## Insurance Company of North America

PHILADELPHIA

Founded  
1792

"The Oldest American Fire and Marine Insurance Company"



Pin this coupon to your letterhead

Insurance Company of North America  
Third and Walnut Streets  
Philadelphia, Pa., Dept. X52

Name .....

Street .....

City ..... State .....

Wants information on Commercial Travelers' Baggage Insurance

## The Sales Manager Who Handles Collections

By George W. Higgins

Secretary, Higgins & Gollmar  
New York City

**T**HE very simplicity of this collection plan which I am about to describe may make it useful to other readers of Sales Management.

Through an error and oversight an order was accepted and filled for some letterheads to a concern whose name it is only proper to omit. Someone slipped up and failed to obtain any references or credit information whatever.

The order was to be shipped export—and this was also done without any arrangements for credit. It was just one of those happenings which sometimes occur within the best regulated organizations. And then—we sat back and waited for our money. Yes, we waited.

One day, when looking over the past-due list for payments, as my eye caught this name—a thought struck my mind. Why not try a stunt? There was nothing to lose, and perhaps \$150 to gain.

So I dictated the following letter and addressed the envelope exactly the same as the letter salutation.

Attention of the Cashier  
Any Reliable Bank  
Katoomba, or Vicinity

Dear Sir:

Do you want to make \$15 easily?

Attached is bill of ours in duplicate for some letterheads shipped to the A. B. C. Company located in your vicinity. Now this material was shipped more than ten months ago, as you can see by the dating.

Everything we have done to induce these folks to pay this honest debt has failed, but we feel quite sure that your collection department can induce them to honor this bill. If you succeed you may deduct \$15, which is ten per cent of the \$150 total.

We are perfectly willing to pay this fee for your service.

So this letter will authorize you to collect this bill under these conditions, which we hope will be perfectly satisfactory to you.

Respectfully yours,

The postal department performed its duty mighty well. Our letter was delivered to a very reliable bank.

About seven weeks later, when we really had expected to be

seeing our original letter come back undelivered for lack of proper address, we opened our letter and found—a draft for the amount on a local New York bank—less only \$7.39—which the bank very politely advised they considered sufficient for their service.

## Jewel Tea Holds Group Sales Convention

Instead of holding one general convention of its head salesmen in 1925, the Jewel Tea Company calls its men to Chicago in groups of forty. Four classes were held during the month of April.

"There are two reasons for this," said an official of the company. "First, we believed that the smaller groups would permit us to get closer to the men and would make for more open discussion. Men who would be diffident about relating experiences or expressing themselves before two or three hundred of their fellows, would not be so hesitant in the smaller meetings. Second, we wanted to avoid a loss in sales volume, and previous experience had taught us that when all the leading men were called in, the sales dropped far below average and it took quite a while to build them up again.

"This new plan eliminates the loss because only one man from each branch is called in, and the men come from widely separated parts of the country. When the man from Richmond, Virginia, talks with the man from Minneapolis or Omaha, it leads to a comparison of methods that is sure to react favorably on the business as a whole. Since the classes have been inaugurated we have found that so far as sales are concerned, there has been no loss in volume. The results of the meetings themselves will not begin to show until after these men get back into the territory and hold similar conventions among their men."

A manual has been prepared outlining the activity of a Jewel salesman in every detail. This manual is the center of all discussions in the classes, and the men attending are memorizing a very large part of it. The men in the field will be expected to do the same thing.

No. 8 of a Series

*And  
then,  
What?*

**I**F you could string 2,000,000 pocket-books together and each had in it only enough for food, raiment, and shelter, it would be chasing rainbows to look for a pot of gold at the end.

The 500,000 Quality Group pocketbooks make good pickings for the food, raiment, and shelter advertiser—and more besides—lots more besides.

Do you think circulation in terms of pocketbooks?



## The Quality Group

ATLANTIC MONTHLY  
HARPER'S MAGAZINE

REVIEW OF REVIEWS  
SCRIBNER'S MAGAZINE  
WORLD'S WORK

681 Fifth Ave.



New York



## Reach the men who *can* say "Yes"

**E**VERY salesman knows there are two kinds of men in a prospect's plant or office—men who are in a position to say "yes," and less important men who can only say "no."

The former are fewer in number, yet they are the men who must be won over if worth-while sales are to be made.

These men, to hold positions of authority, must keep keenly alert to the developments in their line. And business papers, with the editorial department of each concentrating on one business, trade, or industry, provide the means for the executive to "keep his finger on the pulse" of his own particular field.

Men with the authority to say "yes" read the advertising for the same purpose as they read the editorial matter—

to get new ideas on plant operation or trade developments.

Leading publications in over 54 fields of industry are members of the A. B. P. These are the "key papers," that form the backbone of every business paper campaign—papers of audited circulation, whose editorial and advertising contents measure up to the highest standards.

Advertising in such publications parallels your sales activities, prepares the prospect's mind for your salesman's call—places a real selling message before the man who can say "yes."

Our Advisory Department is at the service of manufacturers and advertising agencies interested in any field of business paper advertising.

A. B. P.

"Member of The Associated Business Papers, Inc." means proven circulations, PLUS the highest standards in all other departments.

**THE ASSOCIATED BUSINESS PAPERS, INC.,** Headquarters, 220 West 42d St., NEW YORK  
*Over 120 papers reaching 54 fields of trade and industry*



# Does it Pay to Sue Good Customers Over Cancelled Orders?

Five Points You Should Remember When it Seems Necessary to Sue to Bring a Hedging Customer to Time

**W**HEN disputes arise over cancellations or unfilled orders, it is sometimes a question whether to take the matter into court or make a compromise settlement without invoking the law. Generally speaking, of course, a business concern is reluctant to bring legal action against a customer, or to allow the customer to go to the extreme of bringing a suit himself.

But every now and again a case comes up where the seller feels that his position is so strong and the demands of the customer are so unreasonable that a show-down is demanded. There were many such cases following the break in prices of 1921. The American Sugar Refining Company, for example, brought suits against a whole flock of wholesalers and brokers who cancelled their orders, and rendered a conspicuous service in demonstrating the fact that a contract is a contract.

## Considering Established Policies

Those conditions, however, were exceptional and unusual. Under ordinary circumstances the question as to whether or not to stand for a law-suit is a matter of expediency rather than of principle. Sales contracts are often carelessly drawn, and are evidenced only by a printed form acknowledging receipt of the order, or by a hastily dictated letter, setting forth the terms and conditions of sale.

The outcome of the action is likely to depend upon the interpretation given by the court to such documents, and this in turn may depend upon evidence as to the past relationship of the parties. Sales executives who are called upon to decide whether to compromise or fight should bear in mind certain well-established policies which the courts may be expected to follow in the enforcement of contracts. These policies may be briefly stated as follows:

1. Wherever possible, it will be assumed that the parties intended to make a valid contract, and the contract will be given that construction which will make it valid and binding, instead of a construction that will make it void and unenforceable.

2. In order to be held valid, a contract need not definitely fix prices or terms at the time the sale is made, if it contains express or implied provisions by which they may be definitely ascertained.

3. A contract of sale on a regular printed form used by the seller should be construed most strongly against seller.

4. Contracts containing uncertain or ambiguous provisions will not be held invalid for lack of certainty if it can be shown that the parties have previously dealt under such contracts, and the intent can definitely be ascertained from such dealings.

5. When a contract is made contingent upon some external conditions, such as the seller's ability to secure transportation or raw materials, seller is bound to show that he has made every reasonable effort to carry out the agreement.

## Examples of Interpretation

Those principles of interpretation are strikingly illustrated in two recent cases, both of which were carried up to the United States Circuit Court of Appeals. One involved the cancellation of an order for furniture, after the price had gone down, while the other involved the non-fulfilment of an order for coal after the price had gone up. In both cases the higher court affirmed the decision of the trial court in finding the contracts valid and binding.

The furniture case (*Memphis Furniture Mfg. Co. vs. Wemyss Furniture Co.*, 2 F. (2d) 428) was based on a contract for furniture made in 1919, when prices were

near the peak, and the market extremely unsettled. It consisted of a penciled memorandum of the styles and quantities ordered, which was stamped "Prices prevailing at time of shipment, and subject to our ability to ship."

A long delay was occasioned by reason of the fact that it was necessary to get permission from a third party to use his special designs, but the order was finally accepted by the manufacturer with this proviso: "Due to the uncertainty of manufacturing, this order is accepted subject to prices in effect on shipping date and our ability to ship." More delay followed, due to a strike in the manufacturer's plant among other things, and by the time the manufacturer was ready to proceed with the order the "buyer's strike" was on, with the bottom temporarily out of the furniture market.

## Court Upholds Contract

The goods were partly completed when the buyer cancelled the order, which the manufacturer refused to accept because the goods were a special pattern. Ultimately the order was completed, and the furniture was sold to a third party for \$5,699. The value of the goods, based on cost of production, was \$12,220.49, and suit was brought to recover the difference between this amount and the price the goods had brought at forced sale.

The case depended, of course, upon the validity of the contract, and particularly upon the interpretation of the clause, "prices prevailing at time of shipment, and subject to our ability to ship." The defendant attacked that clause vigorously, claiming that it was so ambiguous and uncertain as to render the contract unenforceable. The contract was upheld in the District Court, however, and the jury awarded damages of \$3,756 to the manufacturer, based, not upon

# Who is this Fellow?

¶ He's a **BUSINESS MAN**—Rotarians represent every line of human endeavor. They are constantly in the market for typewriters, filing equipment, adding machines, desks, cash registers, checkwriters and protectors, duplicating machines, addressing machines, and a thousand and one other articles of office and factory equipment.

¶ There's a customer for you in Rotary, whether you sell 10,000 h.p. generators, or chemicals, or lawn-mowers, or clothing, or paper-fasteners; for Rotarians cover the range of industry.

*He's a fellow  
worth  
talking to!*

## THE ROTARIAN

THE MAGAZINE OF SERVICE

Advertising Manager  
Frank R. Jennings, 221 East 20th Street  
CHICAGO

Eastern Representatives  
Constantine & Jackson  
7 W. 16th St., New York

Mid-West Representative  
Howard I. Shaw  
326 W. Madison St., Chicago

Member Audit Bureau of Circulations

the manufacturer's costs, but upon a determination of the market price prevailing at the time the goods were ready to deliver.

On appeal, the Circuit Court affirmed the judgment, and upheld the contract on all points as binding on both parties, under the doctrine that a contract will be construed as valid where possible, and that "a construction that makes confused verbiage intelligible will be adopted."

"The contract," says the court, "did not specifically state the price to be paid for the goods on delivery. To constitute a sale the price need not be definitely fixed at the time the sale is effected, if the agreement contains express or implied provisions by which it may be rendered certain. Whether the price to be paid was the market price at the time of delivery, or the price fixed by the plaintiff at its factory, the data for determining the price was present and easily ascertainable."

### Oral Contract Held Valid

The opinion also lays considerable emphasis upon the fact that the defendant in the case had at all times, down to the commencement of the suit, treated the contract as valid, as evidenced by letters requesting delay for one reason or another, and implying a willingness to carry out the contract at a later date.

The other case referred to (Boehmer Coal Co. vs. Burton Coal Co., 2 F. (2nd) 526) involved two contracts for 100 cars of coal each. The orders were given orally, and were entered on the regular printed order-forms used by the seller. These blanks contained a clause as follows: "Orders accepted subject to our ability to get the proper equipment to go the route." After about thirty cars had been delivered on one of the contracts, the Wabash Railroad refused to furnish further equipment, on the ground that the coal was intended for the Pennsylvania System, and that Pennsylvania equipment should be provided.

Thereupon the seller made a demand upon the buyer to furnish equipment, and the buyer replied by proposing that the coal should be shipped to some other destination. This proposal was not

accepted by the seller, and no further shipments were made. "The fact that after the contracts were entered into," says the court, "there was a sharp rise in the price of coal is in this connection significant of what might have been the true reason why the contracts were not carried out."

In this case again, the trial court upheld the validity of the contract, and awarded the purchaser damages in excess of \$19,000. This decision was affirmed upon appeal. Since the terms of the contract were expressed in the regular printed form used by the seller they were obviously intended mainly for his own protection, and were construed most strongly against him.

### Factors to Consider

"If it were the duty," says the court, "of the Boehmer Company, as the seller, to furnish cars, it is very clear that it fell far short of exercising reasonable diligence in discharging that duty. It therefore becomes pertinent and one of the decisive features of the case to determine upon which party rested the legal duty of furnishing the equipment."

"The contracts contain this provision: 'Orders accepted subject to our ability to get proper equipment to go the route.' Here the Boehmer Company has by a self-prepared contract assumed the obligation of providing the equipment. It is incumbent upon the party on whom the responsibility rests to make every reasonable effort to carry out the terms of the contract."

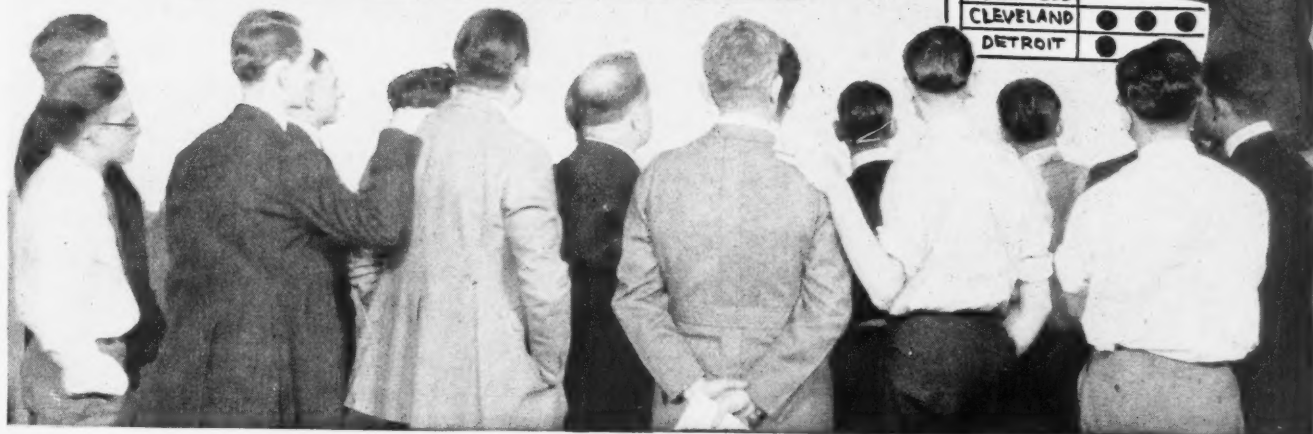
As a matter of fact, the subject of sales contracts is not nearly so much of a technical mystery as it is frequently supposed. Courts are human institutions, and judges can generally see the real merits of a situation as well as its technicalities, as is evidenced by the reference above quoted as to the "true reason" for the non-fulfilment of the coal contracts. Which is a fact worth bearing in mind when it becomes necessary to decide whether to stand up and fight over a broken contract, or to permit the buyer to slide out of a contract without standing his share of the inevitable losses which occur when a contract is looked upon as a mere scrap of paper.







# Bright Spots in Business



## May Sales Call for Vigorous Selling to Stir Hesitant Buyers

In spite of increases in employment, bank clearings, and merchandise car loadings, there are many contradictory reports from retailers and manufacturers. But where vigorous sales effort is put forth business is being placed in good volume. Heavy sales pressure is needed. Mail-order houses, chain stores, and the direct-to-consumer group held up well in April—some showing handsome increases.

### AKRON, OHIO



Favorable weather, early motoring, and big sales of new cars crowd Akron tire plants with business; volume of tire business reported to be 20 per cent ahead of 1924. Debits to individual accounts show an increase of approximately \$5,000,000 each week in April over corresponding weeks of 1924.

### BINGHAMPTON, NEW YORK

Retailers report improved trade; Lackawanna railroad yards under construction will call for expenditure of \$1,333,000; following industries report good sales and factories are working full time: Cameras, toys, washing machines, valves, drop forgings, shoes and furniture. No unemployment.

### BIRMINGHAM, ALABAMA

Contracts aggregating more than \$768,000 were let in April for six new school buildings for Birmingham; cement plants are all working at capacity and are behind in filling orders. Steel and iron trades remain active, though buying is said to be on a hand-to-mouth basis; yet producers claim to have enough orders to prevent drop in prices. There is no surplus labor and in some cases mills are bringing in skilled and unskilled labor to fill needs.

### BALTIMORE, MARYLAND

This city offers a good example of the conflicting reports regarding retail sales and general conditions. Retailers and jobbers complain that business is not up to "expectations," nevertheless bank clearings (which indicate that money is changing hands) show a big increase. For example, the week ending April 15, 1925, debits to individual accounts amounted to \$105,907,000 as compared with \$83,017,000 for the corresponding week of 1924. For the week ending April 25 there was another big increase of \$19,140,000 over the corresponding week of 1924.



### BUFFALO, NEW YORK



Buffalo continues to be reported as one of the cities where fundamental conditions are best, and is recommended as offering one of the best opportunities for May selling by the United States Business Service. Department stores report favorable weather is reflected in stimulated sales; manufacturing is active, although output of iron is in excess of sales at present, but inquiries indicate buying is improving for future. Bank clearings for week ending April 22 show an increase over previous week and a \$14,000,000 increase over corresponding week of 1924.

### BOSTON, MASSACHUSETTS

Shoe manufacturers report frequent buying, with a general tendency on part of retailers in increase size of orders. Automobile sales show healthy increase, the first three months of 1925 recording a gain of 17 per cent over the corresponding period last year. Jewelry manufacturing is active with few exceptions. Dry goods jobbers enjoying increasing sales and men's stores report good volume of sales. As vacation time nears, vicinity of Boston should be worked carefully to obtain summer resort business. Building is active, but labor troubles loom which may curtail building. Among new building projects are: 65 apartment houses and 8 office buildings. Bank clearings show an increase of more than 25 per cent over last year.

### CLEVELAND, OHIO

Peerless Motor Car Company reports big increase in sales with a corresponding increase in production. Cleveland Automobile Company added double shift in April and jumped production from 150 to 250 cars daily. Retailers, for the first time this year, are reporting improved sales. Debits to individual accounts for week ending April 22 were \$162,000,000, as compared with \$159,397,000 for the corresponding week of 1924.



## CINCINNATI, OHIO

Improvements in fundamental conditions in Cincinnati add this city to list of places reported by United Business Service as offering best opportunities for May selling. March building permits were more than \$1,000,000 ahead of March, 1924. Wholesale dry goods, hardware and groceries reported as showing improvement in sales. Retailers report spring trade improvement before and after Easter.

## COLUMBUS, OHIO



Survey shows that retailers are moving stocks faster than they are buying. Contracts have just been let for a new sixteen story hotel. Columbus bank clearings largest in years. A gain of over \$1,379,000 in a week compared with corresponding week, 1924. Collections show improvement. Steady gain in retail trade. Rush orders compel big bolt work to operate night shifts. Building permits exceed 708 first 28 days for April, amounting to \$1,920,000.

## CHICAGO, ILLINOIS

Building continues active in Chicago—typical of the big projects under way is the Eitel Central Block which will combine a 22-story office building, an 18-story hotel and a 2,500-seat theater, with ground floor space for 22 retail stores. Dry goods wholesalers report more buyers in market than last year, and retail trade is about even with last year, with a number of retailers reporting improvement. Automobile sales show a handsome increase, although some retailers are reporting a shortage of cars which retard sales. Steel production continues high, in spite of slight reductions in one or two plants; 14,000 workers in Gary plant of United States Steel broke all previous production records recently. Debits to individual accounts for week ending April 22, 1925, were \$101,000,000 ahead of same week in 1924.

## DAYTON, OHIO

Delco-Light Company is arranging to double output of Frigidaire electrically operated ice boxes. Other manufacturing plants in Dayton and vicinity are busy and retail trade is good, as is evidenced by a gain of nearly \$2,000,000 in debits to individual accounts for week ending April 22, as compared with corresponding week of 1924.



## DALLAS, TEXAS

Ten story hotel to cost \$500,000 to be erected by the Joplin Marshall Construction Company. A 14-story apartment building to cost \$1,500,000 is another late development in the situation which is keeping Dallas at the top of southern cities in building permits. Retail business is good, one store reporting largest week in its history.

## DENVER, COLORADO

Mutual Oil Company to erect \$1,000,000 office building; Burlington railroad spending \$1,000,000 in shop improvements. Three high school buildings costing \$4,800,000 are under construction; all manufacturing plants and industries (except flour milling) are busy and many report increases in personnel. Heavy advertising by tourist bureaus and railroads expected to bring a rush of tourists to Denver and surrounding cities.

## DETROIT, MICHIGAN



Detroit jumps to fourth place in building activities of country. Elks will build temple costing \$2,500,000, and a 35-story addition to the Book building is being planned. Industries have been steadily increasing forces since February 1, with several reporting additions of night shifts. Three retail stores report increases in sales of three, seven and 28 per cent above last year. Jobbers report fall buying has started with good prospects. Dodge Brothers established new record for week ending April 11 when sales averaged more than 1,300 cars per day. Chevrolet produced more than 2,000 cars and trucks daily during April. Paige-Jewett plant schedules 13,940 cars for production second quarter of 1925, as compared with 10,182 for first quarter.

## DES MOINES, IOWA

Retail trade is showing improvement and manufacturing plants are busier and taking on some additional employees. Crops are said to be in good condition with an excellent outlook. Debits to individual accounts as reported by Federal Reserve Board for week ending April 22 were \$18,182,000, as compared with \$16,532,000 for corresponding week of 1924 and \$16,245,000 for week ending April 15, 1925.

## FORT WORTH, TEXAS



Automobile sales showing a 10 per cent gain this year over 1924. Many building projects under way, some of the largest being Ft. Worth Club 12-story building, 8-story Sanger Building to house department store, and 11-story annex to First National Bank building. Stores report an average on five per cent gain in sales over last year—one store reports gain to be 10 per cent.

## GALVESTON, TEXAS

Galveston is leading summer resorts of the Texas gulf coast and sales in many lines always respond to the influx of visitors for summer season. Labor conditions are unusually good due to \$300,000 street building program, work of a 14,000 spindle cotton mill and a \$1,500,000 grade raising program under way. Custom collections have passed \$1,000,000 mark for third month in succession, while only slightly more than \$1,000,000 was recorded for all of 1924. This big increase is due to heavy importation of sugar for refineries near Galveston.

## HARTFORD, CONNECTICUT

According to the United Business Service, Hartford is one of the eighteen towns in the country where business conditions are best. This report is confirmed by the Federal Reserve Board report of debits to individual accounts which totaled \$30,177,000 for week ending April 22, 1925, as compared with \$26,029,000 for corresponding week of 1924.



## HOUSTON, TEXAS

Houston will be overflowing with visitors week of May 10-15, due to convention of Associated Advertising Clubs of the World. Contracts are being awarded for a 25-story \$2,000,000 office building. Manufacturing and building is active and retail and jobbing sales are holding up well in spite of lack of rain, which is interfering with farm operations to some extent. Automobile registration for first quarter of 1925 nearly equals total for all of 1924—the figures are: first quarter 1925, 44,556; all of 1924, 49,704.

## INDIANAPOLIS, INDIANA



Recent big building projects announced include the \$1,000,000 addition to the plant of Eli Lilly Company, which will give five acres of additional floor space; a 10-story office building for the Illinois Realty Company, a 1,000-room suburban hotel, and a 200-room downtown hotel. Sales of standard makes of automobiles are showing a nice increase but other makes are said to be slightly behind last year. Advertising lineage in newspapers is ahead of 1924. Auto Races at Speedway on Decoration Day will crowd town with visitors for several days. Street widening, paving and straightening program will cost city \$1,000,000. Work has started on elevation of railroad tracks; will cost \$13,000,000.

## KANSAS CITY, MISSOURI

Dry goods jobbers in Kansas City send in most optimistic reports that come from any city regarding sales of futures. Sales for immediate delivery are slightly ahead of 1924. Wholesalers and manufacturers of implements, women's clothing, work clothing, tires and men's furnishings all report very satisfactory sales. This market is responding well to sales and advertising campaigns at this time, according to reports from several sources.



## LOS ANGELES, CALIFORNIA



The lumber trade in Los Angeles is optimistic in reporting a sound improvement in trade during April due to active building. Imports are steady and well maintained. Recent rains have helped agriculture and ranching. Retail trade about equal to last year. Los Angeles seems to be settling down to a steadier growth with some of the boom inflation lacking; reports on this city show a tendency to gloom due to comparison with boom years. However, business continues to grow, as shown by the report of debits to individual accounts, which for week of

April 22 show an increase of \$4,680,000.

## LITTLE ROCK, ARKANSAS

Business is reported in Little Rock as being "unusually good." A building boom is in progress, one new hotel costing \$1,500,000 and a \$400,000 apartment building, as well as more than 2,000 residences, are in course of construction. Extensive street and road building programs furnishing ample employment. Favorable spring weather presages good crops and a prosperous fall trade.

## LOUISVILLE, KENTUCKY

Louisville is one of the few cities where retailers are not complaining. Wholesale dry goods, farm implements, notions, millinery and building materials report an active demand and buying in fair quantities. Furniture and work clothing manufacturers are busy and working full time. Racing season will crowd city during May and help sales in many lines. Collections are good.



## MEMPHIS, TENNESSEE

Retail and wholesale sales in most lines remain at approximately the same levels as last year. Business is holding its own, though not showing any marked increase at this time. Crops are said to have made unusual progress and the outlook is good. Debits to individual accounts as reported by the Federal Reserve Board remain substantially during April, 1925, as for the corresponding weeks in April, 1924.

## MILWAUKEE, WISCONSIN



Reports from 49 metal working plants employing 20,000 men show they are running from 48 to 55 hours weekly, 48 hours being normal. Nash and Seaman body plants are still running night and day, employing 3,000 workers. Ford plant will add to its force May 1. Electrical specialty plants employing 3,000 people are running at capacity. Freight received and forwarded up to April 20 had exceeded entire month of April, 1924. A new hotel to cost \$1,000,000 was announced in April and building permits will doubtless exceed April, 1924. Department

stores report heavy sales with emphasis on higher priced lines. Wisconsin is big summer resort state and visitors are already starting to take up summer residences there.

## MIAMI, FLORIDA

John McEntee Bowman of New York will erect a \$2,500,000 casino and bathing beach at Coral Gables, the final unit of the \$10,000,000 Miami-Biltmore hotel and country club, now under construction. New court house and city hall will cost \$2,000,000 and will have 26 stories. The 1925-26 season in Florida will probably be the greatest the state has ever witnessed and will offer many sales opportunities.

## MINNEAPOLIS, MINNESOTA

Business improvement, particularly in the lumber trades, was reported during April all over the Northwest. Jobbers report business fair, but retailers are inclined to complain, probably without cause, for debits to individual accounts as reported by the Federal Reserve Board shows a handsome increase—the figures for week ending April 22, 1925, being \$89,443,000, as compared with \$69,486,000 for the corresponding week of 1924. A similar increase was reported for the week ending April 18, 1925.



## NASHVILLE, TENNESSEE

Keith-Simmons Company, twenty-five year old hardware jobbing house, has purchased the wholesale hardware business of Gray & Dudley Company. Both are Nashville concerns. Gray & Dudley will concentrate on their stove manufacturing business. Manufacturing plants are on full time basis, and retailers report favorable weather is stimulating sales, and wholesalers report renewed confidence in buying. Early vegetable crops are good.

## NEWARK, NEW JERSEY

Newark's varied industries prevent a serious slump in this market at any time. April marked an improvement in employment and an increase over 1924. Retail sales are holding up with last year, but there is some buying resistance on part of consumers. Favorable spring weather has stimulated automobile sales which are now said to be running ahead of last year.

## NEW HAVEN, CONNECTICUT

New Haven is reported by the United Business Service as one of a small group of cities where May sales efforts will be best rewarded. Several sales managers report a marked improvement in sales in this city as compared with last year. Debits to individual accounts for week ending April 22, 1925, were \$23,290,000, as compared with \$18,802,000 for the same week in 1924.



## NEW ORLEANS, LOUISIANA

The Texas and Pacific Railway will enlarge and improve its terminal facilities on both sides of the river to make room for 1,200 more cars; work will cost \$1,500,000. Reports from lumber operators report a good volume of trade, with orders keeping well up with production; debits to individual accounts show an increase for the week ending April 22, 1925, of \$15,861,000 over the corresponding week in April, 1924.

## NEW YORK CITY, NEW YORK



Leaders in financial and business circles in New York point to the slight lull as being nothing more than a healthy deflation of over-optimism which prevailed at the beginning of the year. One big steel man says, "We'd rather operate at 80 to 85 per cent capacity than at 90 to 95 per cent capacity as we have been doing. We get more efficiency." Another steel man said shipments were speeded too fast in the early part of the year so that the present lull is sound; he explains that consumption of steel is healthy. During the first ten days of April,

building permits amounted to \$39,976,500 in New York City.

## OKLAHOMA CITY, OKLAHOMA

A 16-story fireproof building to be erected by the Builders' Exchange, and a \$1,000,000 apartment hotel are among the features of April projects announced in Oklahoma City. Employment showed a 7 per cent increase in April, 1925, over April, 1924. Furniture wholesalers report a 40 per cent increase; grocers, 5 per cent; drugs, 20 per cent; dry goods, slight. Advertising volume in local newspapers is ahead of last year and the city and trade territory is said to be more prosperous than for the past four years.

## OMAHA, NEBRASKA

Recent rains have helped the winter wheat crop, which is in fair condition, and favorable weather has boosted retail sales of seasonal lines, stimulating buying by retailers. Building is active, but there is some unemployment in certain lines, though not serious. Nebraskans are more confident and the business outlook is promising. Lumber trade is showing a good improvement.



## PHILADELPHIA, PENNSYLVANIA

Building permits for March, 1925, were \$6,046,600 ahead of the same month in 1924. Carpet and rug manufacturers are operating at about 80 per cent capacity and felt base floor covering and linoleum manufacturers are running at 100 per cent capacity. Retail sales are reported from fair to good, and wholesalers claim volume of sales is fair, but that profits are narrower. During April there were more than 200 national advertising accounts appearing in Philadelphia newspapers, one paper alone having more than 30 radio campaigns.

## PITTSBURGH, PENNSYLVANIA



There was a recession in steel and iron production in April, but the situation was not without encouragement; one big warehouse reports best sales for this year for week ending April 25. Carnegie Steel was operating 38 out of 58 furnaces at end of April and others were operating on an 80 per cent basis; plate glass is in good demand and plants are operating steadily. Debits to individual accounts for week ending April 22 were \$206,143,000 as compared with \$195,783,000 for corresponding week in April, 1924.

## PORTLAND, OREGON

All growing crops reported to be in good condition; lumber orders are moderate and there is some recession in mill operations in an attempt to improve prices. Other industries are fairly busy, and retail sales are about the same as last year, it is claimed. Bank clearings during April were approximately the same as in 1924.

## ROCHESTER, NEW YORK

Settlement has been made between the Amalgamated Clothing Workers of America and the Rochester Clothing Exchange. This affects more than 10,000 clothing workers employed by the members of the exchange. No change in wage scale was made. Standard Apple Products, Inc., a \$1,250,000 concern, was recently formed through the consolidation of the Aspegren Fruit Company and the Kendall Apple Products Company. Rochester is included in United Business Service list of cities where fundamental conditions are best.



## SAN ANTONIO, TEXAS



A six-story theater and office building to cost \$1,500,000 was announced during April. New oil wells coming in in San Antonio's trade territory are increasing business in many lines. One field in Caldwell County, sixty miles east of San Antonio, promises to become a field of major importance. Real estate and building is active with both wholesale and retail trade good.

## ST. PAUL, MINNESOTA

Subdivision activities on a large scale are a feature of the real estate market and this is stimulating building; April building brought a new record, with housing in the lead. There are three large hospital projects under way, an addition to the Montgomery Ward plant, a \$500,000 addition to the Waldorf Paper Products Company plant, and a new building for the Tri-State Telephone Company. Northwestern Industrial Exposition to be held June 6-13 will be largest in history. Forty to fifty new men are being added daily to the Ford plant.



## SAN FRANCISCO, CALIFORNIA

Volume of business transacted by the San Francisco Stock and Bond Exchange for the first quarter of 1925 equals total for any previous year, except 1924 and first quarter's sales are within 5 per cent of the total for 1924. Most retail establishments report very satisfactory retail trade. Canning season has started and crops are good, having had ample rain. City will build traffic tunnel costing \$1,600,000, work to start immediately. Debits to individual accounts show an increase of \$22,765,000 for week ending April 22, as compared with same week in 1924.

## SPOKANE, WASHINGTON

Building is considerably ahead of last year; mining activities in some sections reported biggest in several years; agricultural implement sales show a gain of 49 per cent over last year, according to report of Federal Reserve Bank; newspaper advertising lineage in one paper shows gain of 16 per cent over last year; wholesale drug houses report a 10 per cent gain in sales with dry goods houses reporting a slight loss early in the year, but present orders show tendency to overcome this loss. Practically every sawmill in Spokane territory said to be operating.



## SEATTLE, WASHINGTON

Seattle is the hub of a great vacation area and its summer visitors bring a sizeable amount of trade to the city. Building and real estate sales are active, but retailers complain of dragging sales, but are vigorously advertising to stimulate trade. Automobile dealers report improved sales. Lumber mills are not operating on full schedules, but sales are fair with promise of improvement.

## ST. LOUIS, MISSOURI

Building permits for first 24 days of April were \$7,995,585, a big increase over the same period for 1924. Among projects announced were a 17-story theater building to cost \$2,600,000, and the Ritz-Carlton apartments to cost \$600,000. Gains among manufacturers of shoes continue and it is reported that they have many future orders on hand. Manufacturing in general is good and some plants report banner sales. Retail clothing and department store trade is reported good.

## TOLEDO, OHIO

Ohio Bell Telephone plant to cost \$2,000,000 announced in April as well as a \$1,000,000 garage of 1,000 car capacity, and dock improvements of the New York Central Railroad to cost \$1,500,000. Employment was heavily increased in March and April. Both March and April registered a sharp upturn in business; there is said to be \$10,000,000 worth of building work on architects' boards in Toledo. Fifty-one factories show a 12 per cent bigger payroll than in April, 1924.

## WASHINGTON, D. C.

Government payrolls in Washington mean a steady and consistent, all year round demand for merchandise, and spring visitors to the capital keep retail trade in healthy condition well into the summer, when other towns are slumping. Debits to individual accounts for week ending April 22, 1925, show an increase of \$8,264,000 above corresponding week in 1924.



## YOUNGSTOWN, OHIO

After a slight recession in orders and activities during the latter part of March and early part of April, business picked up considerably with increased demand apparent and production increases in a number of mills.







# A Survey of Merchandising Trends in Drugs

(Continued from page 663)

manufacturer who wishes to build up his distribution in any particular section through the jobber can quickly locate the concerns that can give him the service. The association, furthermore, has in preparation a booklet giving market data and statistics in considerable detail, and presenting in general the advantages of distribution through the jobber.

The foregoing will serve, perhaps, as a brief and very sketchy outline of the present situation, and an indication of the conditions that the drug jobber is compelled to meet. How he is beginning to meet them is another matter.

The report of the Harvard Bureau of Business Research on operating expenses in the wholesale drug business has already been mentioned as showing an average net profit of 1.4 per cent of net sales in 1923. This figure, however, is not quite so insignificant as it may appear at first sight, since it represents net profits in excess of interest on the invested capital. Furthermore, it represents a rather significant increase over the corresponding figure for 1922 (the first year reported), which was 0.8 per cent.

## Jobbers Decreasing Inventories

At the same time the bureau reports that the average rate of stock turn increased from 3.8 to 4 times a year, while gross sales showed an increase of 9.3 per cent. In connection with the latter figure, the bureau lays great emphasis upon the fact that this increase in sales was accompanied by an increase in inventories of only 3.7 per cent.

This ratio of 9.3 per cent increase in sales to 3.7 per cent increase in inventories is a rather striking confirmation of the reports received from jobbers that they are materially reducing the number of competitive lines carried in stock. On this point the reports from jobbers in practically all sections of the country are almost unanimous. With very few exceptions they assert that they are cutting down general merchandise items to a very few rapid-moving

products. Some report that, in connection with items such as nail files, and toilet accessories generally, they are carrying only a single line. A number of manufacturers report the same condition. "In our particular line," says one of the largest manufacturers of tooth brushes, "there is a decided tendency towards reduction in the number of items carried, with the end in view of carrying fewer unbranded lines and standardizing on a few advertised lines."

"We note," writes a concern that is probably the leading house in its branch of the toilet goods trade, "a very marked tendency among drug jobbers to reduce the number of lines carried—even to working towards the elimination of all but one leading line in each product."

## How Lines Are Cut

The manufacturer of an old established brand of toilet soap says: "It appears to us that there is indeed a decided swing towards reducing the number of general merchandise lines by taking on the fast moving articles and dropping the slow ones." "Jobbers in the drug field," writes the sales manager of another large concern, "are showing a marked tendency to drop the private brands in favor of nationally advertised products in connection with which they get protection on the score of profits." And so following.

The interesting part of the story, however, is not the fact that the jobbers are cutting down their inventories, but the method by which the process of elimination is being carried out. To a large and increasing extent, it may be said that the jobbers are not eliminating competitive lines at all, but strictly speaking are letting the competing lines eliminate themselves. They are accomplishing this by making it unprofitable for their salesmen to sell those lines which do not earn genuine net profits for the jobbing house, and conversely, by making it worth the salesmen's while to push the goods that do.

Last December, the National Wholesale Druggists' Association

issued a special bulletin containing a survey of methods of compensating salesmen. "From the compilation of replies," this bulletin states, "it appears that there is a strong trend away from a fixed salary as the basis for paying salesmen, toward (a) commissions or (b) apportionment of net profits on goods sold. In analyzing the replies of those who pay on commission basis, the trend is very definitely toward a scale of commission in direct ratio with the profitableness of goods sold. It appears that quite a number of houses pay commissions on the following schedule:

Where the gross profit is 25 per cent plus, commission is 5 per cent.

Where the gross profit is 20 per cent plus, commission is 4 per cent.

Where the gross profit is 17 per cent plus, commission is 3 per cent.

Where the gross profit is 12 per cent plus, commission is 2 per cent.

Where the gross profit is less than 12 per cent, commission is 1 per cent.

Where the gross profit is less than 8 per cent, commission is 0 per cent.

## Eliminating Non-Profitable Lines

"Of course this schedule requires that merchandise be classified according to the gross margin and tabulated accordingly to adjust the salesmen's compensation. Where this plan is used, the employer generally has a stated quota for each salesman, which places the proportion of low commission goods to the total. For example, it may be required that a salesman shall produce not more than 60 per cent of his volume in 1 per cent and 2 per cent classifications."

I am told that the jobbers are adopting this plan very widely, and that it is very closely connected with the elimination of competing lines above mentioned. The line which is not profitable for the jobbing house simply is not pushed by the salesmen, and dies a natural death. On the other hand, the manufacturer who does protect the jobber's profits by refusing to sell direct to the cooperatives at jobbing prices, will get the salesmen behind his product because they personally can profit by pushing it.

# more sales

One of my clients started with a \$1500 appropriation sixteen months ago. He had less than 100 dealers and about six jobbers. Today he is spending over \$50,000 with me on Direct Mail Advertising and Selling. He has over 500 jobbers and nearly 30,000 dealers.

If it is done right Direct Mail Advertising and Selling will go further in helping you increase sales and reduce selling expense than anything you can try. But it must be done right.

I have no staff—when you give me a job—and I take it—for I don't take all the work offered—you are assured your work is important enough to receive my *personal attention*. It is not turned over to a subordinate. Possibly that is why C. C. McCarthy Co., of Williamsport, Pa., report that they got \$1,000,000 worth of business from a letter I prepared for them a few months ago. It went to 1800 prospects. The postage was \$36.

Why not write me about your Sales Problems? No salesman will call on you. I employ none, getting my business the same way I get business for my clients —BY MAIL.

**Edward H. Schulze, Inc.**

*More Sales with Less Cost  
Thru Direct Mail Advertising*

Woolworth Building

New York

What the ultimate results of the widespread adoption of this procedure may be, will depend upon a good many circumstances. I get the impression, however, that the jobbers are very much in earnest on the subject, that they are pretty definitely convinced that manufacturers cannot maintain national distribution without their aid, and that they are going to make a real effort to demonstrate that fact to all and sundry.

One of the leading trade publishers in the field said to me in discussing the scope of this investigation: "The biggest development of late years in this field has been the 'come back' of the jobber. For the first time in fifty years, he has begun to analyze his own business as a selling proposition, instead of merely a buying proposition." I found a good deal to confirm that general statement, in going through the reports of proceedings of the National Wholesale Druggists' Association, as well as in the letters received from

individual jobbers. One paragraph from the "Proceedings" of 1924 is worth quoting as among the straws that show which way the wind is blowing:

"Four years ago here at Atlantic City," said a representative of one of the largest jobbing houses in the East, "I pleaded with you to put in a sales manager and to give him a clear title; to give him full responsibility for sales, and to hold him responsible for results. At that time you could count the jobbers' sales managers on the fingers of one hand. Just think of it! And in the report submitted by the chairman of this committee on salesmen and selling methods, it shows that 50 per cent of the wholesale druggists now have sales managers, and each year you will find more sales managers installed in wholesale drug houses. They will soon be considered most indispensable, and far more important than any other manager in any other part of your business."

## Why Ned Jordan's Letters Dodge the Waste Basket

(Continued from page 664)

But that wasn't all about the automobile business.

The men had a little conference in the hallway just as we were putting on our coats and hats.

Some fellow had been thinking while we were gamboling along on the upper planes of conversation and he could not get his mind off the sordid subject of business.

He burst out with this, "Well, if what you say about this trading proposition is true, who is the goat?"

Here is the answer he got:

"The goat is the dealer who thinks he is making money when he delivers automobiles at a loss just because he gets a thrill out of rolling a few out of the door into the street and into the hands of people who are smarter salesmen than he is himself."

That is why so many of them fail every year.

Isn't it funny that it takes the dealers so long to realize that it is

not the number of automobiles they deliver but the net profit per car which makes them a success or a failure?

But that is not all.

Isn't it funny that it takes smart business men so long to find out that the dealer who offers them the longest trade on the old automobile is not only putting himself out of business, but putting them in a situation where they will suffer a loss far greater than the profit which they thought they realized when they made the big trade?

The Anti-Stall Co., Inc., Mt. Vernon, New York, has placed its advertising in the hands of Campbell-Ewald Company. The account will be handled through the eastern office at New York City under the direction of Norman Craig, branch manager. The company makes a device that automatically prevents an automobile stalling while there is gasoline in the tank or electricity in the storage battery.



When sales slow up!  
When salesmen get spring fever!  
When quotas wither up and die!  
*Then you need a Spring Tonic for Sales—*

When retailers lose interest—  
When jobbers say “loaded up”—  
When every darn sales idea seems stale—  
*Then you need a Spring Tonic for Sales—*

Yes, there is a spring tonic for sales—no cure all you understand—but Ye Gods it puts a kick in most sales departments and generally turns a bum start or a “slow down” into a winner. If you want to brew a batch of this spring tonic for your sales department I will send you the prescription. But I won't let you have it unless you need it. No cost or no obligation, this one is on me. Just fill out the coupon, attach it to your business letterhead, mail it to me and I'll send the R

RIP IT OUT HERE

GEORGE HOTTE, Sales Manager,  
Wm. A. Rogers Ltd., Niagara Falls, N.Y.

Dear George:

I'll match my time against yours and read over your prescription of how to mix “A Spring Tonic For Sales”—if it's got kick in it I'll look it over—if not you get the gate.

Name.....

Address.....

City.....State.....

# Home Ownership and its meaning



The fact that New Orleans, a city of 412,000 people, has fifty-five building and loan societies, is significant in more ways than one.

It means, first, that New Orleans is a home-loving community.

It means that Orleanians are thrifty.

It means that New Orleans has not joined the ranks of cities which house a great proportion of their population in apartment buildings, but is still a city of small homes. The last-named fact means in turn that New Orleans is a market deserving special attention from sales and advertising executives of concerns manufacturing building materials, furniture and household articles.

Through The Times-Picayune you can cover the first market of the prosperous South at one cost.

## The Times-Picayune

FIRST FOR THE SOUTH

Representatives: Cone, Hunton & Woodman, Inc., New York, Chicago, Detroit, St. Louis, Kansas City and Atlanta; R. J. Bidwell Co., San Francisco and Los Angeles.

# Selling the Petroleum Industry

(Continued from page 674)

the pioneering with his own salesmen, but the industry as a whole is alert and alive to new methods, new machinery and modern equipment, so, according to several sales managers, it is comparatively easy to introduce a new product or method.

In selling to the refining plants, the procedure depends largely upon the size of the refinery. One sales manager whose men sell to many refineries, says, "Usually the sale of material to the refineries rests with the mechanical men of the organizations. Who these men

may be depends much on the size of the company and the elaborateness of the organization. In some small refineries there is simply a sort of pipe fitter foreman who is usually called the master mechanic.

"As the refinery grows, there is a chief engineer, construction division of the engineering department, and various operating engineers. Usually at one plant there is a refinery engineer and a master mechanic. Of course all these men must be reached through the courtesy of the purchasing department.

Stop  
Mistakes  
in Painting

## SHERWIN-WILLIAMS

# PAINTING GUIDE

FOR THE

## PETROLEUM INDUSTRY

TO PAINT		
<b>AUTOMOBILES</b> S-W Automobile Metal Primer S-W Colors in Japan <b>BARGES</b> Steel: S-W Kromik Primer S-W Marine Hull Paints Concrete: S-W Concrete Hardener S-W Marine Paints Wood: S-W Barge and Lighter <b>BUILDINGS AND DWELLINGS</b> Exterior: Wood: S-W Oil Station Paint Brick: S-W Concrete Wall Paint Concrete: S-W Concrete Wall Paint Iron—Galvanized: S-W Galvanized Iron Primer S-W Kromik Primer Interior: S-W Flat-Tone S-W Eg-Shel Mill White S-W Inside Floor Paint <b>CONCRETE TANK FOUNDATIONS AND CEMENT BASES</b> S-W Concrete and Cement Hardener S-W Concrete Floor Paint S-W Concrete Wall Paint <b>DERRICKS</b> Steel: S-W Kromik Primer S-W Ebonol Wood: S-W Ebonol	<b>FENCES</b> Metal: S-W Kromik Primer S-W Tank Paints Wood: S-W Oil Station Paints <b>HOLDERS—GAS</b> S-W Kromik Primer S-W Aluminum Paint S-W Tank Paint <b>MACHINERY</b> S-W Oil Proof Machinery Paint <b>METAL SURFACES—EXPOSED</b> S-W Kromik Primer S-W Oil Station Paint S-W Metalastic <b>PIPES—STEEL UNDERGROUND</b> S-W Ebonol S-W Plastic Pipe Coating <b>POLES</b> Wood: S-W Pole Paint S-W Oil Station Paint Metal: S-W Kromik Primer S-W Metalastic S-W Tank Paint <b>PORTABLE BUILDINGS</b> Metal: S-W Kromik Primer S-W Oil Station Paint S-W Metalastic Wood: S-W Oil Station Paint <b>ROOFS</b> Paper: S-W Ebonol S-W Liquid Roof Cement	<b>ROOFS—Continued</b> Tin: S-W Roof and Bridge Paint S-W Tank Paints Galvanized: S-W Galvanized Iron Primer S-W Kromik Primer S-W Tank Paints S-W Roof and Bridge Paint Shingle: S-W Preservative Shingle Stain <b>TANKS—STORAGE</b> Steel: S-W Kromik Primer S-W Tank Paints S-W Aluminum Paint Bottom: S-W Ebonol S-W Elastic Cement Coating Filling Station (Underground): S-W Ebonol S-W Elastic Cement Coating Concrete Storage: S-W Concrete and Cement Hardener S-W Concrete Oil Proof Coating No. 121 <b>TANK CARS</b> Steel: S-W Kromik Primer S-W Tank Car Paints Underframes: S-W Underframe Black <b>TRUCKS</b> S-W Automobile Metal Primer S-W Sur-Fas-Rite S-W Colors in Japan
TO VARNISH		
<b>AUTOMOBILES</b> S-W Automobile Enamel Clear S-W Wearing Body Finishing S-W Motor Truck Finishing <b>BARGES—STEEL</b> S-W Rexpax	<b>BUILDINGS AND DWELLINGS</b> Interior: S-W Scar-not <b>MACHINERY</b> S-W Rexpax	<b>TRUCKS</b> S-W Opex Lacquers and Enamels S-W Auto Enamel S-W Old Dutch Enamel
TO ENAMEL		
<b>AUTOMOBILES</b> S-W Opex Lacquers and Enamels S-W Auto Enamel S-W Old Dutch Enamel	<b>BUILDINGS AND DWELLINGS</b> Interior: S-W Old Dutch Enamel S-W Enameloid <b>MACHINERY</b> S-W Lustral Enamel	<b>TRUCKS</b> S-W Auto Enamel Clear S-W Wearing Body Finishing S-W Motor Truck Finishing

For removing paint and varnish use Taxite—quick, easy, thorough, economical. Can be used by anyone on any surface.

### THE SHERWIN-WILLIAMS CO.

Copyright 1925 The S-W Co.

For cleaning painted and varnished surfaces use Flaxoap—made from linseed oil—contains no free alkali—restores lustre.

Makers of a Complete Line of Finishes for Oil Producers, Refiners and Marketers

How one paint manufacturer fits the advertising to the specific needs of the petroleum industry

SALES MANAGEMENT—MAY 2, 1925

It is not difficult to gain access to them if the salesman can show the purchasing agent that he really has something to talk about.

"In some of the oil companies, a sales engineer visits the purchasing department principally as a matter of courtesy; in others there are such rigid rules of procedure that an attempt to approach anybody within the organization by any channel other than the purchasing department would put up a barrier that would be practically permanent and insurmountable against making sales to that company.

"In relatively few cases do the oil companies purchase on price alone. Perhaps the biggest argument that can be used for many items used in a refinery is safety to personnel. There has been considerable loss of life in the oil industry due to explosions and fires, and this is very strongly in the minds of the men responsible for construction and operation of the apparatus. The second strong argument is guarding against fires from the point of view of interruptions to operations.

#### Some Effective Sales Arguments

"The oil companies are tuned up to very rapid performance on large construction programs, as well as on small alterations, and delivery is always a prime consideration when oil companies buy. Large stocks in the vicinity of the oil company's plants are a strong argument toward making sales. As a rule price is about the last consideration."

It would require an encyclopedia to list all the materials which are in constant use by the oil companies and their many subsidiaries. But it is safe to say that thousands of sales managers have something in their lines which can be sold to the petroleum field if they study the industry's needs and apply sales talk to fit the case.

A new type of portable motion picture camera and projector, designed for home use and sales demonstrations, has been perfected by Pathex, Inc., New York City, and will be on sale in the East within a few days. Dorrance, Sullivan Company, Inc., will direct the advertising.

# Hold Off

making plans for stimulating your salesmen during the hot weather until you have received

## Joe West's Summer Sales Cracker

DARTNELL—1801 Leland Avenue, Chicago

We are interested in your plan to keep salesmen on their toes during July and August, so tell Joe West to send us his Sales Cracker.

Individual \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

## For Your Library

**D**URING the last two years there have been nearly 1,000 articles dealing with increasing sales published in "Sales Management." Any one of these articles may give you just the idea you need for building your future sales plan.

One of the best investments you can make is to put these bound issues in your library—it will pay you dividends for years to come. "Sales Management" bound volumes 1, 2, 3, and 4 are now selling at a premium. Only a few of these later volumes are available:

Vol. V—Oct., 1922, to Sept., 1923—12 issues—1,212 pages.....\$6.00  
Vol. VI—Oct., 1923, to June, 1924—9 big issues—1,230 pages.....\$6.00  
Vol. VII—June, 1924, to Dec., 1924—6 big issues—758 pages.....\$5.00

*Special Offering of Set of Three Above Volumes,  
\$15.00 by prepaid express*

**The Dartnell Corporation 1801 Leland Ave. Chicago**





# EDITORIAL COMMENT



## Installment Selling Is Building a House of Cards

The magazines are carrying large display advertisements urging people to paint now and pay later. Thus painting your house is added to the already too long list of things which we can pay for as we go. Possibly the paint and varnish people justify this advertising campaign on the grounds that paint is a preservative, and it is another case of where "a stitch in time saves nine." This may be true. But no thinking person can stand by and see one industry after another launch installment selling drives without fearing for the future. Whatever the merit of individual plans may be, every time one industry starts an installment selling drive, competitive industries are forced to follow suit in self-defense. If they stand by and let the paint people "sew-up" the future earnings of the classes to whom they sell, where will they come off? So they get busy and cook up some pay-as-you-go plan, with no economic justification whatever, to meet the competition of the paint and varnish campaign. The viciousness of the practice of installment selling lies in its high financial cost. It doubles the cost of retail selling. It does not create business, it merely diverts it from one line to another, too often from necessities to luxuries. If the process is continued it must ultimately reach a point where the high interest rates and the still higher financial expenses will topple over our retail merchandising structure. It is already shaky. Can it survive a greater growth of this practice of mortgaging the future to pay for the present?

## The New Postage Rates Will Defeat Themselves

The users of the mails for business purposes are lining up to battle the new postal rates, as reported elsewhere in this issue. It is encouraging that this movement has taken a non-controversial form. There is no reason why business interests, including most of the publishers, cannot get together and put their feet under the table and work out some practical program for raising the needed postal revenue without undue burden on any one class of mail users. The present postal rates are frankly an experiment. What will be done in the way of fixing permanent rates depends upon the outcome of this experiment. From correspondence we have had with high postal officials in Washington, and information conveyed to us by confidential sources at the capital, we are confident that the new higher third class rates will be

abandoned, and the old rate re-established. The new third class rates are cutting the volume too heavily, and upsetting the calculations of the post office by greatly increasing the amount of circular matter sent out under first class postage. We also believe that the extra cent on private-mailing cards will cut the volume of those items sharply, and for that reason the old rate may be put back. The fact is that running a post office is no different from running any other business. There are times when the best way to increase revenue is to cut the price. We think the post office department is going to find this out before next July. Then perhaps they will be willing to set aside politics, if such a thing is possible, and draft a postal bill that will conform to the ideas of the business interests of the country. In the meantime it behooves business to wake up and agree on what it does want.

## The Merchandising Upset and What It Means to Your Business

Whatever your business may be, whether it is selling safety pins or automobiles, read the articles which are now running in Sales Management by Roy W. Johnson, dealing with merchandising trends and changes in the major lines of business. The first of these articles appeared in our issue of March 28, and covered the radio field. The second, dealing with the drug field, appears in this issue. Being in the whirl of things, it is hard for most of us to realize that we are now in the throes of the greatest merchandising upheaval in history. There is hardly a line of business which is not creaking and straining. The upset is especially violent in fields where the jobber is an important factor. House-to-house selling, chain stores, new policies on the part of big retail distributors, wagon routes, and other conditions are forcing the manufacturers and the jobbers to clean house. Old methods no longer suffice to get the business. Old avenues of distribution no longer provide the needed gain to keep the business healthy. Different methods must be found. But where to find them—that is a problem. Experts having an outside viewpoint may help some. But in the end it is going to be put squarely up to the man responsible for sales to find his own answer. Failing to do so, he must make way for one who can. We cannot furnish made-to-order solutions for these big problems, but we can place before you a survey of the conditions affecting yours and other industries, so that you may base your decisions on facts rather than theory.

# Making Sales Cars an "Asset" in Dixie by Working 6 Controlling Trade Areas

*Trade influence and motor roads invariably radiate from sales centers. Sell a 35 to 60 mile radius, rent "Drive-It-Yourself" cars when an "asset," discard for rail when a liability and you cover sales territories economically, adequately.*

**T**RADER areas—not state lines—make a sales territory. Yet motorized selling has somewhat obscured this fact: that outside the zones of natural trade influence you pay a penalty for too intensive personal sales work.

Consider Alabama, and the tri-state district between Chattanooga, Atlanta and Birmingham: With three small exceptions you can cover every worth-while jobbing point—even for food products—by driving a 35 to 60 mile radius from the sales centers having Saunders Drive-It-Yourself stations in this territory.

Saunders System—at 65 branches in twenty states—rents gear-shift and Ford Coupes, Sedans and Touring Cars on a mileage basis. Your men use them only when the car is an "asset" and cover each trade area with planned routes. They are never more than a couple of hours from Saunders Station, where they can discard the car for rail and start again with fresh vigor at the next sales center.

To travel by rail exclusively or to drag company cars 'cross state are equally wasteful for most businesses. Saunders System, used in conjunction with cheap rail service, gives you the lowest possible traveling expense and preserves the real advantages of motorized selling.

Each man drives privately a clean, new, splendid-running car with standard insurance protecting you against liability, fire, theft, collision and property damage above \$15.

*May we send you our manual, "Answers to Questions," and our Traveler's Identification Cards for each salesman?*

## SAUNDERS DRIVE-IT-YOURSELF CO., Inc.

Executive Offices: 214 Saunders Bldg., Kansas City, Mo.

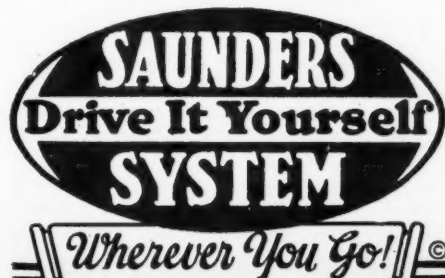
Akron  
Atlanta (2)  
Baltimore  
Bessemer, Ala.  
Birmingham (3)  
Cedar Rapids, Ia.  
Chattanooga (2)  
Cincinnati (3)  
Cleveland  
Colorado Springs  
Columbus (3)  
Council Bluffs  
Dallas

Davenport  
Dayton  
Denver  
Des Moines  
Detroit  
Evanston  
Galesburg  
Houston  
Indianapolis (2)  
Kansas City (2)  
Knoxville  
Lincoln  
Louisville (2)

Memphis  
Milwaukee (2)  
Mobile  
Moline  
Montgomery (2)  
Nashville (2)  
New Albany, Ind.  
Oklahoma City  
Omaha (2)  
Peoria  
Pueblo  
Richmond, Va.  
Rockford

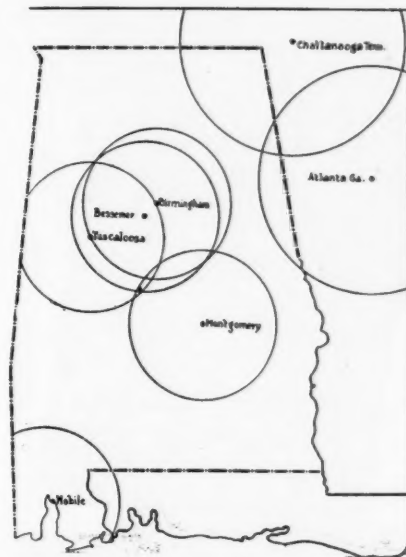
Rock Island  
Sheboygan  
Springfield, Ill.  
Springfield, O.  
St. Joseph, Mo.  
St. Louis  
Terre Haute  
Tulsa  
Tuscaloosa, Ala.  
Washington, D.C. (2)  
Wichita

"10 YEARS OF PRACTICAL OPERATION"



### Traveler's Identification Cards

eliminate red tape. Accredited instantly at all Saunders System Stations without requiring cash deposit. Send for your personal card and one for each salesman.



### Trade Areas—35 to 60 Miles

Except Florence, in the extreme northwest and Dothan, in extreme southeast, every important point in Alabama and Northern Georgia can be covered by driving a radius of 35 to 60 miles from these six sales centers. Improved roads permit routing for complete coverage without retracing or waste driving in these trade areas. Yet you sell almost every town of 5,000 or more.

For city work in Birmingham, Atlanta, Mobile, Chattanooga and Montgomery, Saunders System service means more calls, more sales, quicker coverage at less cost.



No reason why  
**Your Salesmen**  
shouldn't have as good  
tools as these



## Gem Binders

make an excellent "first impression" used for binding Sales and Advertising Bulletins, Photographs, Testimonial Letters, Price List Sheets, etc.

They are exceptionally attractive looking and thoroughly efficient, are easily operated, hold their contents neatly and compactly, fit nicely into a traveling man's brief case.

GEM BINDERS are not just covers, they are expanding loose leaf binders fitted with either our patented flexible staples, binding screw posts or paper fasteners.

GEM BINDERS in Style "GB" are covered with heavy quality Art Fabrikoid, levant morocco grain finish or Spanish leather finish. They can be washed with soap and water, if necessary, for the removal of hand stains, without affecting the surface color or finish of the material.

*We Will Gladly Submit  
Specimens for Inspection*

**THE H. R. HUNTING CO.**  
Worthington Street  
SPRINGFIELD, MASS.



*Doggone—if this isn't a good column* we don't know what we'll do. We fell strong for an ad of "Entertainer Cigars" in the morning paper. The copy was brief and to the point. "Be a MAN—smoke cigars," it said, and we realized, for the first time, the utter insufficiency of any writing that was done with aid of a pipe or Luckies. Now we're exhaling large blue clouds of cigar smoke and realize just what it means to be masculine.

$\frac{1}{2}$  &  $\frac{1}{2}$

*Thinking of Women*, as we're impelled to do now that we feel so much more manly, we're reminded of an inexpensive plan used by Devoe and Reynolds to get the interest and support of the "women-folks" of the owners and clerks of their exclusive agency stores. The company has a series of letters which they send out to prospects for interior decorating and exterior painting, and the local dealer's name is played-up in the letters. All that he has to do is to furnish the names. But of course he has other things to do, and sometimes forgets unless he is prodded. So the Devoe and Reynolds salesman, at the time he appoints the dealer as exclusive agent, gets the names and addresses of the wives of owners and clerks, and the letters are shot out to them. If the letters register with them, and usually they do because every home could use a little more paint, the merchant and his clerks come in for some good-natured kidding and are made to see the importance of sending in other names to the company.

$\frac{1}{2}$  &  $\frac{1}{2}$

Joseph Ewing says that our best friends are often our worst enemies—that it is almost impossible to get an honest criticism from a close friend. Even though they try to be impartial, they believe in us so thoroughly that their judgment is warped by what they want us to accomplish.

$\frac{1}{2}$  &  $\frac{1}{2}$

I had six honest serving men,  
They taught me all I knew.  
Their names are What and Why and  
When  
And How and Where and Who.

—Kipling.

If more attention were paid to those six men it's quite possible that the average salesman would not, as George Hopkins says so picturesquely, read a catalog out loud and then wonder how anyone can talk that language.

$\frac{1}{2}$  &  $\frac{1}{2}$

No manufacturer would hire a salesman merely for a day and expect him to get results. Yet many expect to run a single advertisement and show surprise at the lack of results. It is as though a storekeeper opened up on the main street and took down his sign after the first day's

venture. In fact, it is a maxim of successful advertisers that their large results came during the third year of continuous advertising. (From "An Advertising Primer," published by the Quality Group.)

$\frac{1}{2}$  &  $\frac{1}{2}$

*We Spend per Person Each Year:*

\$2.58 on diamonds  
and only 22 cents for dentrifices  
\$4.15 for near beer  
and only \$1.10 on books  
\$9.00 for perfumery  
and 11 cents for health service  
\$2.10 for patent medicines  
and only 90 cents for coffins  
\$3.00 for ice cream  
\$11.00 for candy  
32 cents for watches  
\$1.85 for shirts

And, finally, \$30.73 for government expenses.—From Annals of American Academy of Political and Social Science.

$\frac{1}{2}$  &  $\frac{1}{2}$

Recently we had an opportunity to thumb through some magazines of the eighties and nineties, and were particularly interested in the advertising pages of such ones as Good Housekeeping, The Youth's Companion and Harper's, which were slim compared with present day issues. Yet many of the names current then are still headlines in the same periodicals: Ivory Soap, Baker's Cocoa, Pillsbury's Flour, Wilbur, Grand Rapids Refrigerator, Royal Baking Powder, Ingersoll Watches. Gone are Egg-o-Sec, Rubifoam, Pearlite, Rambler Automobiles, Pabst and Schlitz.

Some of the copy compares favorably with that of the present day. Here is Rubifoam, with a caption:

**A Million Dollars**

is a good deal of money, isn't it? Yet it is estimated that fully that amount of pure gold has been packed into the teeth of the people of this country in addition to which there has been used half a million dollars or more of cheaper materials. Only one person in eighty, on an average, possesses perfect teeth.

There's a familiar ring to that last sentence. Many current advertisements touch on the same basic idea. Four out of five get pyorrhea—seven out of ten are bald at forty—etc.

But what of it if only one in eighty possess perfect teeth? We wonder if one person in eighty could rate perfect on anything—eyes, nose, mouth, chin, arms, hands—oh well, you are way ahead of us anyway. Which reminds us of a paraphrase of what Lincoln said about the common people—God must love the people who have pyorrhea or he wouldn't have made so many of them—or should we say us?

—PHILICITUS.



## A. N. A. E. Program for Convention is Announced

THE convention of the Association of Newspaper Advertising Executives, which will be held in conjunction with the convention of the Associated Advertising Clubs of the World in Houston, May 10-15, will consist of three official sessions and three informal meetings.

A brief outline of the sessions follows:

Monday, May 11: Opening session. Speakers, Frank T. Carroll, the Indianapolis News; M. E. Foster, the Houston Chronicle; Harvey R. Young, the Columbus Dispatch.

Tuesday, May 12: Joint meeting with Association of Newspaper Classified Advertising Managers. Speaker, Carl P. Slane, the Peoria Journal-Transcript.

Afternoon session: Subject, Local Display Advertising Problems. Speakers, Thomas K. Kelly, T. K. Kelly Sales Company; Major Wynn Williams, The London Times; M.E. Foster, the Houston Chronicle; George S. Cohen, Foley Brothers Dry Goods Company.

Wednesday, May 13: Subject, National Advertising Problems. Speakers, Holland Hudson, National Vigilance Committee, A. A. C. of W.; James O'Shaughnessy, American Association of Advertising Agencies; Prof. Daniel Starch, Graduate School of Business Administration, Harvard University.

Thursday, May 14: Subject, Problems Affecting Complete Advertising Departments. Speakers: A. L. Carmical, the Chicago Evening American; Merle Sidener, Sidener, Van Riper Advertising Company; R. W. Turnquist, the Milwaukee Journal.

Afternoon session: Completion of unfinished business.

The following informal discussions are scheduled:

How often should sales meetings for salesmen be conducted? What information should be covered? Should they be confined to general discussions of assigned topics?



# The Sign of Prosperity

**M**OTOR through the beautiful country which provides New York City with fluid milk and you will everywhere see the blue and white sign of membership in the Dairymen's League Co-operative Association, Inc.

Those who have tried the experiment say that they can nearly always tell the homestead of a Dairymen's League member before they see the sign, by observing the well-kept buildings and the general air of prosperity.

There are good reasons for this. First of all, the members of the Dairymen's League are seriously engaged in the dairy business, with herds averaging 16 cows per farm. The monthly milk check can be depended upon, summer or winter.

Dairymen's League members are especially fortunate in having access to the country's largest market for fluid milk. Selling through collective bargaining, Dairymen's League members receive the highest prices. This year, each month has set a new high record as compared with the corresponding month of previous years.

Nearly nine years ago, these progressive dairymen established their own dairy paper in order that they might have accurate and unbiased business news. The Dairymen's League is the leading exponent of agricultural co-operation in the East. It is also "The Dairy Paper of the New York City Milk-Shed."

Remember, the Dairymen's League News reaches *all* the active members of the Dairymen's League. No other farm paper reaches even half of them. In order to adequately present your proposition to these men, you simply use the paper which they own and control.

With a line rate of 50c and a guaranteed circulation of 70,000, the Dairymen's League News offers unusual value. Application has been made for membership in the Audit Bureau of Circulation.

*A request will bring you Sample Copy and Rate Card*

## DAIRYMEN'S LEAGUE NEWS

NEW YORK: 120 West 42nd Street  
F. M. Tibbitts, Business Manager  
O. E. Everett, Advertising Manager  
Phone Wisconsin 6081

CHICAGO  
10 South La Salle Street  
John D. Ross  
Phone State 3652

**"The Dairy Paper of the  
New York City Milk-Shed"**

## Can You Talk to Carlos Fernandez?

**Y**OU talk every day to John Smith, Tom Brown and Bill Jones through your hard-hitting, common sense sales messages. John and Tom and Bill buy your products because they understand what you are saying.

—but how about Carlos Fernandez, Juan Mendez and Hop Sing? Foreign countries are teeming with people who need your products and are able to pay for them. Carlos lives in Mexico — Juan and his family buy American-made goods in Argentina—and Hop Sing opens his letters in Hawaii.

Our complete mailing lists take your messages into the offices and homes of your logical prospects in every country of the world. And we transform your selling ideas into foreign words and phrases that really sell your products to foreigners.

*May we tell you more  
about selling in the biggest  
field of all—the world?*

### JOHN MURRAY

INCORPORATED

Foreign and Domestic  
Mail Merchandising

417 South Dearborn St. Chicago  
Tel. Wabash 0517

## Small Industries Marking Time for Need of Marketing Ability

(Continued from page 660)

As we write, many things occur to us which would, doubtless, be necessary in increasing the sale of fence. First, there should be a survey of the possible market. Then a strong campaign of dealer educational work should be carried on to enable the dealer to do his part in merchandising the idea of better fenced farms, and to show the dealer the potential market that exists for fence and posts.

Steel fence posts, another product of this company, have many advantages over wood posts, and the posts made by the Janesville concern have several advertisable features which could be turned into strong selling arguments.

### Marketing Work Clothing

Doing business as it does in a limited area—the company's campaign would, at first, be confined to media reaching the territory served by the company. Here is another opportunity for increased business to the organization or individual who will study this manufacturer's problems—and present a workable plan.

Another Janesville industry is the Janesville Shirt & Overall Company, manufacturers of work clothing. This company specializes in selling the small town merchants, who sell most of their work clothing to farmers. One of its problems is the competition of prison made merchandise which is a big factor in this industry. Fighting prison made garments is a matter for joint action among all the manufacturers in this industry and at present a vigorous campaign against prison made merchandise is being carried on.

But this company is doing little, if any, advertising of its own garments. What consumer demand exists for the company's products is due to the consumer having worn one of the garments and being well pleased with it.

This company also does business in a limited area. So, for the time being at least, it cannot advertise nationally without considerable waste. But there are many ways

to advertise locally. "We are interested in advertising," said an official of the company, "and would be glad to consider plans which would show us how to advertise our product. But so far we have been unable to devise methods which would enable us to reach our trade economically."

Here is a plant owned and operated by men who recognize the power of advertising, but who have, according to their own statements, been unable to find a promising plan for advertising. True, their products are hard to advertise—merchants are not inclined to push work clothing. This line is to the dry goods or general merchant what sugar is to a grocer. But other overall and work clothing manufacturers have been very successful with advertising and modern merchandising plans. And surely there is a way for this company to employ more modern methods of selling—to build up a greater consumer acceptance for its merchandise, and to stimulate its retail customers to greater activity.

### A Promising Plan Wanted

One of the largest concerns in Janesville is the Lewis Knitting Company, producers of underwear. This company has a national business, and its salesmen are constantly on the road. However, its products are in direct competition with those of dozens of other manufacturers whose garments are as good, and are sold for practically the same prices. Another difficult line to advertise.

One of the officials of the company said, "All the advertising men who have called on us come in with ready made plans, calling for big expenditures, with no guarantee of results. We were, at one time, fairly large advertisers. But we have discontinued nearly all of our advertising. The knitting industry is overbuilt. All of us expanded too much during the war. We are selling our products too cheap and working on too small a margin. Overproduction is the cause of most of the evils in our industry today."

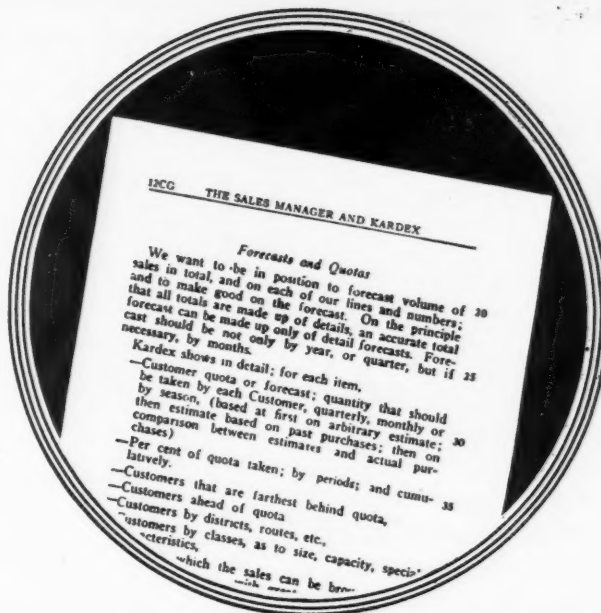
Who can offer this concern a solution to their sales and advertising problems? Must it continue to go on and on, selling its products at close prices, depending solely on the abilities of its salesmen to sell their product at a fair profit? Is there no way in which this company can devise a plan for building up consumer good-will and demand? Its merchandise is little, if any, different from vast quantities of similar merchandise produced by competitors. The company is well financed and would be able to take care of a sizeable increase in production.

### More Potential Opportunities

Other industries in Janesville present equally interesting problems. There is a furniture factory which turns out a very high grade of living room furniture, a canning plant, a tractor plant and several others. The canning plant cans large quantities of sauerkraut among other vegetables. This homely product has been advertised in a small way by an association of packers. Perhaps one company could step in, and with the right sort of brand advertising, take advantage of much of the promotion work which has been done. More interesting possibilities here.

Summing up the situation, we find, here in this small city, at least four—perhaps six, potentially large advertisers. The Parker Pen Company and the Hough Shade Company, both Janesville industries, have built up national businesses, have brand names worth millions and are growing. Advertising and modern sales methods, coupled with quality products, have built these businesses. The same methods should accomplish as much for the other industries.

We believe that every manufacturing center in the country is literally crammed with opportunities for better sales and advertising methods. Janesville's industries merely give us a peep into the possibilities. Truly the advertising and merchandising possibilities of America have scarcely been scratched. In succeeding issues we will tell more of the industries in other small cities and manufacturing centers. By doing this we hope to call attention to still greater opportunities.



## Forecasts, Quotas and Promises

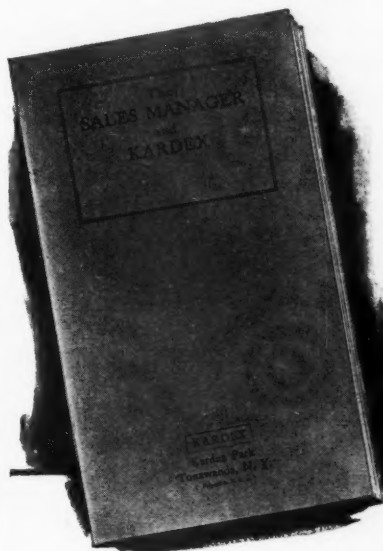
*How the Sales Manager Can Make Sure of Accuracy in Setting His Aim for Future Business*

**F**ACTS only, present and past, are the surest guide to facts in the future. In setting quotas for salesmen, in making promises to other departments on moving goods, base your complete forecast on detailed facts.

Kardexed sales records keep the detailed facts accurately and group them significantly without difficult and expensive research.

The booklet "The Sales Manager and Kardex" tells how successful sales managers gain foreknowledge in the surest, simplest, most inexpensive way.

Mail the coupon for your copy. It will help you grasp the opportunities of your business—build bigger profits. There is no obligation whatever.



### KARDEX-RAND CO.

705 Kardex Park  
TONAWANDA, N. Y.

In Canada—Kardex, 58 King St.,  
West, Toronto—London, 3 Holborn  
Viaduct, E. C. 1—Paris, 24 Rue de la  
Fidélité.

# KARDEX

Use the coupon. Send for  
your copy TODAY. There is  
no obligation whatever.

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705 Kardex Park, Tonawanda, N. Y.

☐ Please send your book—"The Sales Manager and Kardex".

☐ Please send Kardex Man.

Name

Street

City

State



## *"How to Sell Quality"*

**D**ESCRIBES actual plans and methods used by salesmen who have been successful in combating price competition by quality arguments. Tells how these salesmen make the buyer want quality; get the stipulated price without haggling; shut out the price cutter and keep the old customer sold on quality.

### *Typical Chapters*

#### **How Quality Helps a Salesman**

Shows salesmen the advantages in selling quality merchandise.

#### **Why Your Customers Buy Quality**

Gives illustrations to prove that wise buyers prefer quality to price when properly sold.

#### **Making the Buyer Want Quality**

Tells how good salesmen create desire for quality products.

#### **Creating a Quality Atmosphere**

Illustrates the value of comparisons to force price into the background.

#### **Getting the Full Price**

Explains how the price dwindles when quality is sufficiently understood.

#### **Disarming the Price Cutter**

How to meet price objections with quality arguments and eliminate competition.

#### **How to Close a Quality Sale**

Closing arguments that make prospects forget price and buy your products.

#### **Keeping the Old Customer Sold on Quality**

Making customers see the profit in repeat orders for quality goods; the loss of patronage that comes with price-cutting, etc.

Send for a copy of this popular Dartnell manual. You will find in it many ideas for your own letters and bulletins to salesmen. More than 350 concerns have distributed copies to their salesmen.

*In board bindings: Single copy, \$1.10; dozen, \$10.50; hundred, \$75.00. In DeLuxe leatherette: Single copy, \$1.60; dozen, \$15.50.*

### **The Dartnell Corporation**

1801 Leland Ave.  
CHICAGO

19 W. 44th St.  
NEW YORK

## Copyright Laws Are Up for Revision in Washington

**M**ANUFACTURERS and marketers of motion pictures, player pianos and rolls, talking machines and records, copyright books, sheet music, etc., may be forewarned that they will likely face a revision of the copyright laws at the next session of Congress. A shake-up affecting all users of copyright material has been threatened for some years but the agitation has come to naught. The chairman of the Patent Committee of the House of Representatives informs your correspondent, however, that a subcommittee of his committee is to grapple with this issue this summer and that a complete new system of copyright protection will certainly be reported out early in the new Congress.

The Congressional Joint Committee on Printing and its Man Friday, the Committee on Paper Specifications, are beginning the consultations with manufacturers, the laboratory tests, and other preliminaries which preface the placing of contracts for another year's supply of paper for the Government Printing Office and all other departments and institutions in Uncle Sam's establishment. The government purchases of paper at the forthcoming awards will aggregate more than \$4,000,000.

That Uncle Sam is a prospect for many sales managers who now pass him by as not unworthy of cultivation, is indicated by the diversity of items in the shopping list just issued covering the needs of the United States postal service for twelve months beginning July 1, next. Among the items listed for purchase are 420,000 cakes of toilet soap, 108,000 towels, 20,000 large carrying baskets, 345 dozen brushes, 375 dozen mops, 300 dozen brooms, 9,000 flags, 300,000 rubber stamps, 40,000 dozen pen holders, 130,000 dozen lead pencils and 16,500 posts for letter boxes.

Lying on the table, awaiting the attention of the United States Senate, is a resolution introduced by

Senator Reed of Missouri instructing the Federal Trade Commission to investigate whether United States manufacturers of farm implements, tractors, etc., are selling their wares at lower prices in foreign markets than they charge in the domestic market. Just before adjournment, the Senate adopted a resolution, of somewhat similar scope, under which the Trade Commission has already entered upon an investigation of the business methods of the General Electric Company. A third probe is to encompass the whole subject of open-price associations in the United States.

Kresge interests, operating (at Washington, Chicago and Newark) the first units in the initial chain of department stores—in accordance with the much-discussed Filene idea of the ultimate in merchandise distribution—have just let it be known that they are sympathetic to the system whereby manufacturers of toilet goods plant demonstrators in the guise of retail sales people. The Kresge management will, however, insist that each demonstrator, whatever her connections, shall, when serving behind the counter, supply a customer with any article of the regular stock for which call is made without any attempt to switch the sales to the line which the demonstrator is pushing.

The United States Bureau of Home Economics, one of the youngest branches of the national government, bids fair to make good on the promise that it will afford, by its demonstrations and displays, real constructive help to the sales interests of the country. The immediate proof is afforded by the installation at Washington of a permanent loan exhibit of the various types of home sewing machines now on sale in this country. It is claimed that this little exposition gives the purchasing public its first opportunity to study all the various makes and models of machines in one collection.



## The Dartnell Loose-Leaf Sales Letter Collection

**W**E have taken about two hundred of the best letters and the most resultful business-producing pieces and reproduced them in actual size, or described them on individual loose-leaf sheets.

Then we have arranged these two hundred business-getting ideas in a special ring binder under leather-tabbed guides for ready use. It is a most interesting and a most valuable collection of data.

### *Typical Selling Plans this Data contains*

- |  |  |
|--|--|
| The "Wonderful Penny" Letter of the Bankers Trust Company            | Fifteen Different Plans for Following up Inquiries—Including the Card Plan |
| The Use of Part Payment Checks in a Mail Order Letter                | Unusual Advance Cards Sent Out by Both Manufacturers and Jobbers           |
| The "Two Sided" Letter of the Economy Engineering Company            | A series of Advance Letters used by Aetna Insurance Company successfully   |
| Various Plans for Making the Testimonial a Greater Factor in Letters | Eight Letters that Proved Effective in Collecting Small Accounts           |
| Stunt Letters that have Made Good in a Big Way                       | The Elgin Dairy Farms "Mutt and Jeff" Collection Letter                    |
| The Klau-Van Pietersom-Dunlop Russian Ruble Plan                     | Christmas Letter-heads and Suggestive Letter-head Ideas                    |
| The Continental Paper Bag Company's Rotten Egg Letter                | A "You to Me" Letter that Saved a Slipping Salesman                        |
| Some Unusually Original and Effective Acknowledgment Letters         |  |

*Price on approval, \$10.00, complete with binder*

**THE DARTNELL CORPORATION, 1801 Leland Avenue, Chicago**

**SALESMANSHIP**  
AND SALES PSYCHOLOGY

"Insuring Sales Success" is a valuable little book which the Institute will send free upon request. It contains the outline of Creative Salesmanship followed by thousands who are producing sales records in many of America's national organizations. The practical sales plan it presents will give you many profitable sales ideas. Send for it today. No charge.

ADDRESS DEPARTMENT 11

**SHIRLEY PARKER INSTITUTE**  
DEPARTMENT 11  
218 S. Wabash Ave. Chicago, Ill.

**EARL B. SHIELDS**  
*Advertising*

ANY of these clients will gladly tell you about our service:

A. H. Barber-Goodhue Company, Chicago  
Brookshire Cheese Co., Plymouth, Wis.  
Calumet Steel Company, Chicago  
The Dexter Company, Fairfield, Iowa  
Faber-Schneider Railator Co., Chicago  
J. E. Porter Corporation, Ottawa, Ill.  
Thoma & Son, Inc., Fairfield, Iowa  
The Tupman-Thurlof Co. Inc., New York

1623 HARRIS TRUST BLDG.  
CHICAGO

**Mailing Lists**

We are prepared to furnish you mailing lists of every classification all July, 1924, guaranteed 98%. Ask for our General Price List showing 4,000 classifications and 52 page Red Book itemizing them by states. Very valuable information and costs you nothing.

**A. F. WILLIAMS, Mgr.**  
166f West Adams Street, Chicago  
Established 1880 Phone Franklin 1182



**House Organs**

We are the producers of some of the oldest and most successful house organs in the country. Write for copy of THE WILLIAM FEATHER MAGAZINE.

**The William Feather Company**  
611 Caxton Building :: Cleveland, Ohio



**Sales Managers!**  
Liven up your sales contests and bulletins with original cartoons. If you have an idea we'll work it out; if you haven't, we'll supply one.

We specialize in convention cartoons.  
Send for proof sheets

**We Draw Cartoons to Order**  
**Business Cartoon Service**  
Low Merrell 35 S. Dearborn St. Chicago

## Mail Users Organize Nationally to Revise Postage Rates

ONE hundred and fifty business houses, both large and small users of the mails, and twenty-four business associations representing thousands of concerns in varied lines affected directly or indirectly by the increased postage rates, were represented at a closed meeting at the Congress Hotel, Chicago, April 14, the very last day of the old postal regulations, for the purpose of organizing nationally, in bringing about a favorable revision of the Postage Bill, and perhaps a complete reinstatement of the old rates, with the possible addition of a "reverse permit" for return cards and envelopes. The meeting was called by Homer J. Buckley, president of the Buckley-Dement Company, Chicago, under the auspices of the Postal Committee of the Direct Mail Advertising Association, and only those were admitted who had signed passes.

### Platform Outlined

Mr. Buckley, who presided, with the assistance of Richard H. Lee, special counsel for the Direct Mail Advertising Association, laid before the meeting the work that had been done in opposing the passage of the present bill, which is temporary in that rates may be raised again if the needed additional revenue is not obtained. They then outlined a suggested platform as the basis for organizing a National Council of Mail Users, which platform in brief is as follows:

1. The return of one cent postage on post cards.
2. The return of one cent postage on third-class mail, either on the basis of one cent for two ounces or some other basis, perhaps making the increase apply between two and eight ounces, if additional revenue must be raised by this method.
3. Elimination of the two cents service charge on parcel post. Also, elimination of the twenty-five cents charge on parcel post.
4. Charging franked mail to the department from which it originates so that it is taken care of out of departmental budgets and

does not continue as a tax on other mail.

5. Retaining free and country newspaper mail but putting it on such a basis that it will be given a subsidy and be paid out of the general budget of the United States Treasury instead of at the expense of all mailers of the country.

Col. E. T. Miller, of the United Typothetae of America, presented a resolution which was unanimously adopted, delegating the chair to appoint a representative committee of seven. This committee will draw up a final policy platform based on the platform suggested by Mr. Buckley, lay out plans for organizing nationally, and then issue to all associations, business organizations, and general users of the mails an invitation to attend a further session for completing the organization of the National Council of Business Mail Users and discussing further the plans for procedure to be presented by the committee.

### Organization Plan is Broad

It is expected that the general session for organizing will be called about June 1.

The consensus at this first meeting was that the platform and the organization plan would be made broad enough so that all factions, regardless of any special preferences of some, could be united and get through the kind of a bill that will be most nearly satisfactory to all, rather than be divided in their platforms and fail to get through a bill that was satisfactory to any of them. F. V. Cole of the Penton Publishing Company, Cleveland, and C. A. Tupper of the International Trade Press, Chicago, stated that the business papers are very much interested in reduced rates because high rates make difficult getting results from the advertiser's work of following up inquiries developed by their publications and tend to lessen the effect of the advertising in their publications.

Reports from Washington already indicate that the postage bill is not raising the required revenue.



**MEN** Wm. L. Fletcher Inc.,  
can put you in  
touch with **THE RIGHT MAN**  
for any worth while job  
93 Federal St. Boston, Mass.

**Handy Expense Books**  
for Traveling Men

Space for all necessary expense items. No carrying forward, reduces possibility of error, saves time and trouble for salesman and bookkeeper. Hundreds of progressive firms everywhere keep their traveling men supplied. Sample free

100 for \$3.00 500 for \$13.75 1000 for \$25.00

**GARRETT & MASSIE, Inc., Publishers**  
P. O. Box 1837-B Richmond, Virginia

**FOR MOTOR & ENGINEERING ADVERTISING IN ENGLAND consult**

*The* **HERITAGE PETERS ADVERTISING SERVICE LTD.**  
COVENTRY, ENGLAND.

**Free Mailing Lists**

Will help you increase sales  
Send for FREE catalog giving counts and prices on thousands of classified names of your best prospective customers—National, State and Local—Individuals, Professions, Business Journals.

**99% by refund of 5¢ each**

**ROSS-Gould Co.** 376 N. 10th St. St. Louis

## STICKERS - LABELS

**ST. LOUIS STICKER COMPANY**  
1627 S. M. Washington Avenue St. Louis

gummed special design stickers, labels and embossed seals in any quantity. We carry a complete line of standard stock stickers and can render prompt delivery. Send for catalogue.

**The Tie-up** for **NATIONAL ADVERTISERS ONLY!**

Free Leaflet Tells How  
**STANDARD SLIDE Corp.** 209 W. 48th St. NEW YORK CITY

**TOYCO Promotion BALLOONS**

There's a definite way to make Toyco Promotion Balloons increase sales. Ask us to tell you how.

*Business Idea Dept.*

**The TOYCRAFT RUBBER CO.**  
ASHLAND, OHIO

## TESTIMONIALS

Orders, checks, maps, reports, blueprints, etc. **PHOTOSTAT** prints are convincing photographic facsimiles—produced without plates

Send for Samples  
Best prices—Quickest service  
**Commerce Photo-Print Corporation**  
80 Maiden Lane New York City

## News of the Road

The latest addition to the rapidly growing chain of the United Hotels Company is the new Niagara at Niagara Falls, New York. This 250 room hotel opened its doors April 8, and is now serving guests from all the world who visit this famous spot. The Niagara cost almost two million dollars in cash, but it represents a vast investment beyond this in the loyalty and civic spirit of the citizens of the town. The first three stories of this hotel are devoted to the lobby, dining rooms, ball rooms, etc. The remaining nine stories contain the guest rooms, all outside rooms with circulating ice water and the other usual conveniences.

The sample rooms are found on the fourth floor and here the commercial traveler will find spacious and well lighted rooms for the display of his products. The most unusual feature of this new enterprise is the enchanting view of the Falls which may be obtained from the roof.

Plans were announced last week for a new ten story hotel in New Orleans. The land has already been purchased, not only for this building, but also for a five story garage adjoining to accommodate 600 cars. The new hotel will contain 400 rooms, will cater chiefly to commercial trade, and will be operated with moderate rates. The entire enterprise will represent an investment of more than two million dollars.

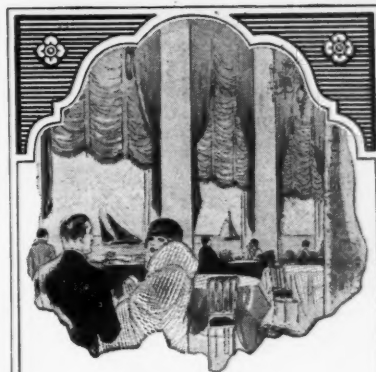
The first week in May will mark the opening of another new hotel in New York State, the Hotel Van Curler at Schenectady, New York. The American Hotels Corporation has built and will operate this new enterprise and J. Leslie Kincaid, president of the corporation, has announced that Governor Al Smith will be the principal speaker at the formal opening banquet. The site of this new hotel at the entrance to the bridge over the Mohawk River is ideal. When this bridge is opened late this summer, it is expected that over 10,000 automobiles will use this route each day. A sunken garden in the parkway stretching to the river is almost completed, and terraced gardens in the rear of the hotel are being planned.

Sales executives who visit Atlanta, Georgia, will be interested to hear of the large annex to the Robert Fulton Hotel which is to be built very shortly. Although this hotel only opened last fall, increasing business necessitates this addition. The annex will be of fourteen stories and will contain a new banquet hall and ball room capable of holding three or four hundred people.

Another indication of prosperous conditions in the South is the news of the new Hotel Orndorf which is to be erected in El Paso, Texas. The Orndorf will contain 300 rooms and be eleven stories high.

In the next issue of SALES MANAGEMENT, May 16, will appear a two page spread in color outlining a 2,500 Mile Field Trip on Hard Roads. We believe this will be of considerable interest to our subscribers, and we urge you to look it over carefully.

SALES MANAGEMENT—MAY 2, 1925



## In Chicago

**G**UESTS in the Main Dining Room of **THE DRAKE** look out upon the fascinating blue waters of Lake Michigan. The surroundings are so unique for a great metropolitan hotel.

*Under The BLACKSTONE Management*



**Hotel Claridge**  
Dearborn St., North of Division  
CHICAGO

**H**OTEL Claridge marks a new order of things among Chicago hotels. The Claridge is new and uniquely equipped. In the hotel are such features as:

Swimming Pool  
Gymnasium  
Handball Courts  
Indoor Golf Net

**Notably moderate prices.**

Hotel Claridge has 300 fine, bright, cheery rooms, nearly all with both tub and shower. Rates are from \$2.50 to \$5 for one person—correspondingly moderate for two, with special weekly rates that are unequalled.

*Under the personal management of H. E. Rice and Son who also operate the Hotel Pershing in Chicago's famous Woodlawn district.*

## A.A.C. of W. Convention To Study Sales Problems

(Continued from page 678)

Mr. Insull will be among the speakers.

Departmental and special sessions will be held Tuesday afternoon, Wednesday and Thursday mornings. The International Trade and Pan American Conference will also hold sessions on these days, together with a fourth session at Galveston, Wednesday afternoon.

The City of Galveston, about fifty miles from Houston, will be host to the convention Wednesday afternoon and evening, following the trade conference, when a picnic, fish fry and other entertainment will be held on the Galveston Beach.

The last session of the International Trade and Pan American Conference will consist of a trade adviser service, when the services of eighteen authorities on export and foreign sales problems will be available to all delegates.

The convention will formally close with a general business session Thursday afternoon, when officers and the convention city for the ensuing year will be selected. Mr. Holland, completing his third annual term as president of the Associated Advertising Clubs, will not seek reelection.

Many of the delegates plan to take advantage of a series of "circle tours" of Texas before returning to their homes.

Radio station KFI of Los Angeles has issued a rate card covering the broadcasting of advertising. The card carries the following rates: week days, \$150 for a ten minute talk; \$200 an hour before 6 p. m., \$250 an hour after 6 p. m.; Saturdays and Sundays, \$200 for a ten minute talk; \$250 an hour before 6 p. m., \$300 an hour after 6 p. m. The question of broadcasting advertising is one which will be discussed at the A. A. C. of W. convention in Houston. It is reported that commercialization of the radio has been developing rapidly and advertising appropriations of considerable size are being spent for broadcasting.

## Personal Service and Supplies

Classified rates: 50c a line of seven words; minimum \$3.00. No display

### EXECUTIVES WANTED

**DISTRICT MANAGERS—THE AVERAGE** sales manager will not be interested in the connections here offered, nor will the advertiser be interested in him. But if you are one of those rare men who have an actual capacity for making salesmen; if you have considerably more physical and mental energy than most possess; if you have a demonstrable record in large scale direct distribution, a \$10,000 per year opportunity exists for you here. Write fully, in confidence, to H. F. Baker, general sales manager, 208 W. Monroe St., Chicago.

**SALESMEN, SALESWOMEN, DISTRICT** managers—Sell exclusive lingerie. We offer: 1. Superior line of values. 2. Cooperation unlimited. 3. Commissions that swell the bank account. That's why. Write or wire Wyant Way of New York, Inc., Suite 733, Lincoln Bank Building, Minneapolis, Minn.

**REPRESENTATIVE WANTED—WE ARE** seeking the services of a capable representative in some of the leading sales centers—St. Louis, Cincinnati, San Francisco, Detroit, and Indianapolis. In these cities our business is well established without personal representation. In other cities our salesmen are successful. They are paid on a commission basis. We have an excellent opportunity for good men to make substantial profits the first month. A letter addressed to Sales Department, The Dartnell Corporation, 1801 Leland Ave., Chicago, will bring detailed information.

**SALESMEN AND DISTRICT MANAGERS** wanted in every large city. Exclusive distributors for well known and meritorious educational publication. For details and further information, write at once, Frank Pergande, 937 Bartlett Avenue, Milwaukee, Wisconsin.

### SALES PROMOTION

**\$50 TO \$50,000 DAILY SALES DEVELOPED** during 26 years for clients by my direct-mail plans, copy, campaigns. A \$25,000 annual volume increased ten-fold in twelve months. Another, from an initial expenditure of \$720 developed in four years sales by mail of half million yearly. Ten years sales promotion manager Larkin Co. Submit sales problems for free diagnosis. James C. Johnson, 119 Woodbridge Ave., Buffalo.

**PUT THIS ADVERTISING MAN WITH** proven record on your payroll for just \$1.25 a day. Will write your sales letters, booklets, advertisements, suggest new ideas, put a new sales vigor into your advertising copy. Write for details unusual limited offer. Box 581, SALES MANAGEMENT, 1801 Leland Avenue, Chicago, Illinois.

### AGENCY WANTED

**A SUCCESSFUL SALESMAN, UNIVERSITY** graduate, established in Detroit territory, is seeking several well established manufacturers' accounts on commission or agency basis. Accounts involving engineering training and ability preferred. Box 580, SALES MANAGEMENT, 1801 Leland Ave., Chicago.

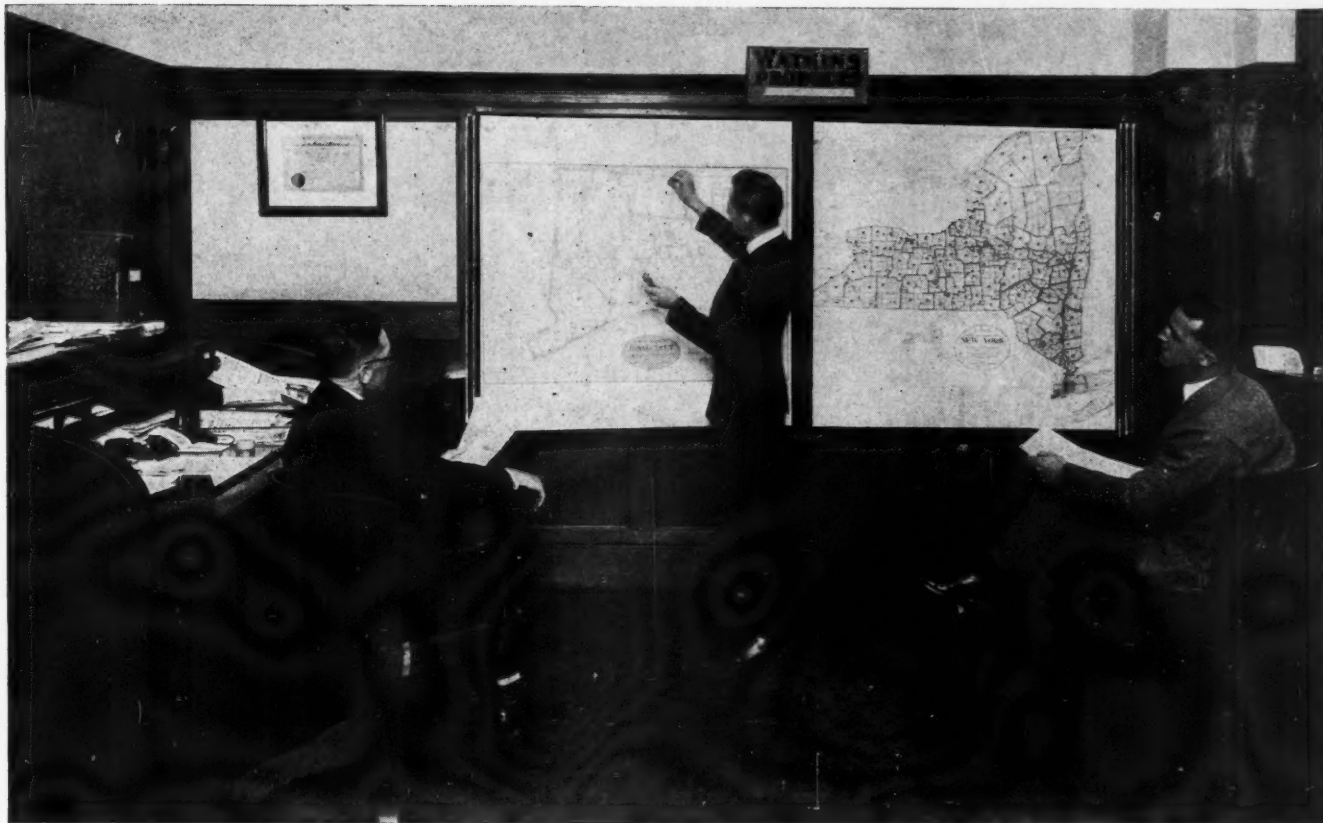
**WANTED—U. S. SELLING AGENCY FOR** specialty, preferably food, that can be sold through wholesale grocers by nationally known million dollar food company with sales organization now covering American grocery trade. Address Distributor Room 504-510 Federal Bank Bldg., Omaha, Neb., U. S. A.

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SALES MANAGEMENT—MAY 2, 1925





Namapco Map System (seven wing fixture) in New York office of J. R. Watkins Company.

## You Need Today's Facts—Today



Mark on Namapco Maps with crayon, ink, or water color. Change as often as desired by washing the surface with sponge or damp cloth.

**T**HIS is a year of strenuous selling and keen competition. There is business to be had—good business, too—business that will go in largest measure to the man who knows and analyzes today's facts today.

The sales manager who is going to reap the biggest harvest is the man who can tell every day just how sales are holding up—who knows where his salesmen are and what they are doing—who knows how his goods are moving in all parts of his territory—who knows where he is losing ground to competitors—who knows where his prospects are and how they are being followed up—who knows where his advertising matter is going and what results it is bringing.

Without an adequate map system, such intimate knowledge of markets would be a physical impossibility. With a Namapco System of Washable Business Maps, it is relatively easy.

No matter how large nor how limited your business may be, there is a Namapco System to meet your requirements. With such a system by marks and colored tacks you can show territorial divisions; the location of distributors, dealers and prospects; the routing of salesmen; sales quotas and sales totals. The washable surface makes it possible to change the markings daily. A few minutes of a clerk's time each day will keep your maps right up to date and help you to keep in constant touch with actual daily conditions—to have today's facts today.

*If you will tell us what you sell, how and where, we'll be glad to show you what kind of a map system you should have, how you can use it to develop a bigger business this year, and how you can add to it as your business grows. Address our Home Office, 505 Murphy Building, Indianapolis, Indiana*

Maps, Map Tacks  
and Map Equipment  
of Every Kind

## NATIONAL MAP COMPANY

MAP MAKERS SINCE 1885

505 Murphy Building, INDIANAPOLIS

111 North Market Street, CHICAGO

# "Namapco" Washable Maps



# Walgreen Builds \$5,000,000 yearly sales *with newspaper advertising*

**W**HAT? Advertise neighborhood drug stores in a medium of such enormous circulation as The Chicago Tribune? Shrewd business men and other friends argued to C. R. Walgreen with conclusive logic that it was business suicide.

Mr. Walgreen figured differently. He began buying newspaper space in the face of this gloomy advice. What happened?

*Walgreen sales are doubling every two years!  
In 1924 they passed 5½ million dollars!*

The history of this progress is vitally interesting to every sales organization. In 1916 the Walgreen chain included nine stores. Their business totaled \$270,000. Here is the development since then:

	No. of Stores	Total Sales Volume	Sales Per Store	Increase in Sales Per Store
1916	9	\$ 270,000	\$ 30,000	
1918	14	600,000	42,860	\$12,860
1920	23	1,550,000	67,400	24,540
1922	29	2,475,000	85,300	17,900
1924	49	5,650,000	115,300	30,000

**A**S SALES for each store grew, increases in volume per store became more difficult to achieve. In 1920 Walgreen stores averaged sales of \$67,400, which is about three times the revenue of the ordinary Chicago drug store. Yet Mr. Walgreen was not satisfied. He was not alone interested in adding more stores. He saw the greatest opportunity for profit in boosting their individual sales over \$67,400 annually. To accomplish this, newspaper advertising was begun in 1921.

During that year only a small volume of advertising was used. The News received the largest lineage, with the American second and The Tribune third.

Actual results were carefully checked. They encouraged a vigorous campaign the following year. And they prompted a revised schedule.

## *Walgreen Lineage in 1922, 1923 and 1924*

	Tribune	American	Herald & Examiner	News
1922	26,681	15,940	1,728	10,538
1923	86,656	32,874	0	0
1924	164,048	52,978	17,324	11,436
3 years	277,385	101,792	19,052	21,974

**S**ALESMANSHIP or antiquated precedent might have influenced the first purchase of lineage in 1921. But evidence of selling power dictated the succeeding schedules. Note that The Tribune is receiving more lineage than all other Chicago newspapers put together. Six days against six, that stands. The burden was carried by the week-day issues of The Tribune. Of the total less than one-sixteenth appeared on Sunday.

Still more interesting is the fact that during these three years of advertising the already high volume of sales per store increased \$30,000 a year. This was the total sales volume per store in 1916.

If the 49 Walgreen stores of 1924 had averaged \$67,400 (as the 23 stores did in 1920) the total business for the year would have been \$3,702,600. Two million dollars in additional business testifies to Mr. Walgreen's judgment in employing newspapers to build up volume of sales per store.

He has little to say about advertising. He gives you a table of figures and says: "That tells the whole story. The way we spend our money shows what we think of advertising and of The Chicago Tribune.

"Of course, conservative business friends have told us that we were spending too much in advertising. They proved to us quite conclusively that we couldn't afford to pay your rates. But results speak for themselves.

"Our advertising helps increase our volume. As volume increases, our overhead decreases, enabling us to give greater values to our customers.

"Here is an interesting sidelight. Before we advertised, each new store was expected to be a burden on the business for a year. Then we might hope to have it pay its way. Now we do a thriving business in every new store from the opening day. Our advertising has filled every neighborhood with people anxious to trade with us."

Do you sell your product through retail stores? Then this successful experience of a store owner should prove conclusively the kind of advertising that will sell more of your goods over the counters in Chicago.

Whether your business is a bank or a factory, The Chicago Tribune may fit into your needs. It is worth talking over with a Tribune man. Ask one to call.

# The Chicago Tribune

*The World's Greatest Newspaper*

*Circulation Over 600,000 on Week Days and Over 1,000,000 on Sundays*

